

The Ontario Securities Commission

OSC Bulletin

September 16, 2011

Volume 34, Issue 37

(2011), 34 OSCB

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

The Ontario Securities Commission

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

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

Published under the authority of the Commission by:

Carswell, a Thomson Reuters business

One Corporate Plaza
2075 Kennedy Road
Toronto, Ontario
M1T 3V4

416-609-3800 or 1-800-387-5164

Contact Centre - Inquiries, Complaints:
Market Regulation Branch:
Compliance and Registrant Regulation Branch

- Compliance:
- Registrant Regulation:

Corporate Finance Branch

- Team 1:
- Team 2:
- Team 3:
- Insider Reporting:
- Mergers and Acquisitions:

Enforcement Branch:

Executive Offices:

General Counsel's Office:

Investment Funds Branch:

Office of the Secretary:

Fax: 416-593-8122

Fax: 416-595-8940

Fax: 416-593-8240

Fax: 416-593-8283

Fax: 416-593-8244

Fax: 416-593-3683

Fax: 416-593-8252

Fax: 416-593-3666

Fax: 416-593-8177

Fax: 416-593-8321

Fax: 416-593-8241

Fax: 416-593-3681

Fax: 416-593-3699

Fax: 416-593-2318



THOMSON REUTERS

The OSC Bulletin is published weekly by Carswell, a Thomson Reuters business, under the authority of the Ontario Securities Commission.

Subscriptions are available from Carswell at the price of \$649 per year.

Subscription prices include first class postage to Canadian addresses. Outside Canada, these airmail postage charges apply on a current subscription:

U.S.	\$175
Outside North America	\$400

Single issues of the printed Bulletin are available at \$20 per copy as long as supplies are available.

Carswell also offers every issue of the Bulletin, from 1994 onwards, fully searchable on *SecuritiesSource*[™], Canada's pre-eminent web-based securities resource. *SecuritiesSource*[™] also features comprehensive securities legislation, expert analysis, precedents and a weekly Newsletter. For more information on *SecuritiesSource*[™], as well as ordering information, please go to:

<http://www.westlawecarswell.com/SecuritiesSource/News/default.htm>

or call Carswell Customer Relations at 1-800-387-5164 (416-609-3800 Toronto & Outside of Canada).

Claims from *bona fide* subscribers for missing issues will be honoured by Carswell up to one month from publication date.

Space is available in the Ontario Securities Commission Bulletin for advertisements. The publisher will accept advertising aimed at the securities industry or financial community in Canada. Advertisements are limited to tombstone announcements and professional business card announcements by members of, and suppliers to, the financial services industry.

All rights reserved. No part of this publication may be reproduced, stored in a retrieval system, or transmitted in any form or by any means, electronic, mechanical, photocopying, recording, or otherwise without the prior written permission of the publisher.

The publisher is not engaged in rendering legal, accounting or other professional advice. If legal advice or other expert assistance is required, the services of a competent professional should be sought.

© Copyright 2011 Ontario Securities Commission
ISSN 0226-9325
Except Chapter 7 ©CDS INC.



THOMSON REUTERS

One Corporate Plaza
2075 Kennedy Road
Toronto, Ontario
M1T 3V4

Customer Relations
Toronto 1-416-609-3800
Elsewhere in Canada/U.S. 1-800-387-5164
Fax 1-416-298-5082
www.carswell.com
Email www.carswell.com/email

Table of Contents

Chapter 1 Notices / News Releases	9517		
1.1 Notices	9517	2.1.3	Counsel Portfolio Services Inc. 9550
1.1.1 Current Proceedings before the Ontario Securities Commission	9517	2.1.4	RBC Global Asset Management Inc. et al. 9553
1.1.2 Consultation Session on Proposed NI 51-103 Ongoing Governance and Disclosure Requirements for Venture Issuers	9526	2.1.5	The Forzani Group Ltd. – s. 1(10)..... 9557
1.1.3 Seminar on Technical and Environmental Disclosure to Assist Public Mining Companies	9527	2.1.6	Mackenzie Financial Corporation and Counsel Portfolio Services Inc. 9558
1.1.4 CSA Multilateral Staff Notice 51-336 – Issuers Using Mass Advertising	9528	2.1.7	Energy Income Fund and Crown Hill Capital Corporation
1.1.5 CSA Staff Notice 31-328 – Revocation of Omnibus / Blanket Orders Exempting Registrants from Certain Provisions of National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations	9530	2.1.8	Just Energy Group Inc. 9563
1.1.6 OSC Staff Notice 31-714 – OSC Staff Supplement to CSA Staff Notice 31-328 Revocation of Omnibus/Blanket Orders Exempting Registrants from Certain Provisions of National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations	9533	2.1.9	Citadel Income Fund and Crown Hill Capital Corporation
1.2 Notices of Hearing.....	9535	2.1.10	The Filers and the Representative Dealers (as defined below)
1.2.1 Ian Overton.....	9535	2.1.11	Goldstone Resources Inc. – s. 1(10) 9577
1.2.2 Canadian Derivatives Clearing Corporation and Sino-Forest Corporation et al. – s. 144	9537	2.1.12	Enbridge Income Fund Holdings Inc. 9577
1.3 News Releases	9538	2.1.13	Christopher Miller and other Advising Representatives of Portfolio Managers applying for registration as Dealing Representatives
1.3.1 OSC Panel Issues Decision Regarding the Temporary Order Against Alexander Christ Doulis and Liberty Consulting Ltd.....	9538	2.1.14	Vantage Asset Management Inc. and other Portfolio Managers applying for registration in another category
1.4 Notices from the Office of the Secretary	9539	2.1.15	Raymond James Ltd. and certain other registered firms registered as of February 26, 2010
1.4.1 Sino-Forest Corporation et al.	9539	2.1.16	USC Education Savings Plans Inc. and others registered as of November 5, 2010
1.4.2 Normand Gauthier et al.	9539	2.1.17	Scotia Securities Inc. and other Mutual Fund Dealers registered as of November 5, 2010
1.4.3 Ian Overton.....	9540	2.2 Orders	9591
1.4.4 American Heritage Stock Transfer Inc. et al.....	9540	2.2.1	Sino-Forest Corporation et al. – ss. 127(7), 127(8).....
1.4.5 Alexander Christ Doulis et al.	9541	2.2.2	Normand Gauthier et al. – s. 127
1.4.6 Energy Syndications Inc. et al.	9541	2.2.3	American Heritage Stock Transfer Inc. et al. – s. 127(8).....
1.4.7 Canadian Derivatives Clearing Corporation and Sino-Forest Corporation et al.	9542	2.2.4	Alexander Christ Doulis et al. – s. 127
1.4.8 Mark Allen Dennis	9543	2.2.5	Energy Syndications Inc. et al. – ss. 127(1), 127(8).....
1.4.9 Ian Overton.....	9543	2.3 Rulings.....	(nil)
1.4.10 Anthony Ianno and Saverio Manzo	9544		
Chapter 2 Decisions, Orders and Rulings	9545	Chapter 3 Reasons: Decisions, Orders and Rulings	9597
2.1 Decisions	9545	3.1 OSC Decisions, Orders and Rulings.....	9597
2.1.1 Canadian Imperial Bank of Commerce and CIBC Precious Metals Fund	9545	3.1.1 Alexander Christ Doulis et al. – s. 127	9597
2.1.2 Canadian Imperial Bank of Commerce and CIBC Canadian Resources Fund	9547	3.2 Court Decisions, Order and Rulings	(nil)
		Chapter 4 Cease Trading Orders	9607
		4.1.1 Temporary, Permanent & Rescinding Issuer Cease Trading Orders.....	9607
		4.2.1 Temporary, Permanent & Rescinding Management Cease Trading Orders	9607
		4.2.2 Outstanding Management & Insider Cease Trading Orders	9607

Table of Contents

Chapter 5	Rules and Policies.....	(nil)
Chapter 6	Request for Comments.....	(nil)
Chapter 7	Insider Reporting.....	9609
Chapter 8	Notice of Exempt Financings	9715
	Reports of Trades Submitted on Forms 45-106F1 and 45-501F1	9715
Chapter 9	Legislation	(nil)
Chapter 11	IPOs, New Issues and Secondary Financings	9719
Chapter 12	Registrations	9725
12.1.1	Registrants	9725
Chapter 13	SROs, Marketplaces and Clearing Agencies.....	9727
13.1	SROs.....	(nil)
13.2	Marketplaces.....	9727
13.2.1	TSX Trading Rule Amendments Related to Market Making – Request for Comments.....	9727
13.3	Clearing Agencies	(nil)
Chapter 25	Other Information	(nil)
Index		9737

Chapter 1

Notices / News Releases

1.1 Notices

1.1.1 Current Proceedings Before The Ontario Securities Commission

September 16, 2011

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

Telephone: 416-597-0681 Telecopier: 416-593-8348

CDS

TDX 76

Late Mail depository on the 19th Floor until 6:00 p.m.

S. -----

THE COMMISSIONERS

Howard I. Wetston, Chair	—	HIW
James E. A. Turner, Vice Chair	—	JEAT
Lawrence E. Ritchie, Vice Chair	—	LER
Mary G. Condon, Vice Chair	—	MGC
Sinan O. Akdeniz	—	SOA
James D. Carnwath	—	JDC
Margot C. Howard	—	MCH
Sarah B. Kavanagh	—	SBK
Kevin J. Kelly	—	KJK
Paulette L. Kennedy	—	PLK
Edward P. Kerwin	—	EPK
Vern Krishna	—	VK
Christopher Portner	—	CP
Judith N. Robertson	—	JNR
Charles Wesley Moore (Wes) Scott	—	CWMS

SCHEDULED OSC HEARINGS

September 19, 2011
2:30 p.m.
September 20-23, September 28 – September 30, and October 4, 2011
10:00 a.m.

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

s. 127 and 127.1

D. Ferris in attendance for Staff

Panel: VK/MCH

October 3, 2011

2:30 p.m.

September 21, 2011

1:00 p.m.

December 19, 2011

10:00 a.m.

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

s. 127

H. Craig/C. Watson in attendance for Staff

Panel: VK/EPK

September 22-23, 2011

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: TBA

September 26, 2011
10:00 a.m.
Global Energy Group, Ltd., New Gold Limited Partnerships, 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 Shiff

s. 127

H. Craig in attendance for Staff

Panel: CP

September 26, 2011
10:00 a.m.
Global Energy Group, Ltd., New Gold Limited Partnerships, Christina Harper, Vadim Tsatskin, Michael Schaumer, Elliot Feder, Oded Pasternak, Alan Silverstein, Herbert Groberman, Allan Walker, Peter Robinson, Vyacheslav Brikman, Nikola Bajovski, Bruce Cohen and Andrew Shiff

s. 37, 127 and 127.1

H. Craig in attendance for Staff

Panel: CP

September 28, 2011
10:00 a.m.
TBS New Media Ltd., TBS New Media PLC, CNF Food Corp., CNF Candy Corp., Ari Jonathan Firestone and Mark Green

s. 127

H. Craig in attendance for Staff

Panel: CP

September 29, 2011
10:00 a.m.
Ciccone Group, Medra Corporation, 990509 Ontario Inc., Tadd Financial Inc., Cachet Wealth Management Inc., Vince Ciccone, Darryl Brubacher, Andrew J. Martin., Steve Haney, Klaudiusz Malinowski and Ben Giangrosso

s. 127

M. Vaillancourt in attendance for Staff

Panel: JEAT

September 30, 2011
10:00 a.m.
North American Financial Group Inc., North American Capital Inc., Alexander Flavio Arconti, and Luigino Arconti

s. 127

M. Vaillancourt in attendance for Staff

Panel: JEAT

October 3, 2011
9:30 a.m.
Firestar Capital Management Corp., Kamposse Financial Corp., Firestar Investment Management Group, Michael Ciavarella and Michael Mitton

s. 127

H. Craig in attendance for Staff

Panel: JEAT

October 3-7 and October 12-21, 2011
10:00 a.m.
FactorCorp Inc., FactorCorp Financial Inc. and Mark Twerdun

s. 127

C. Price in attendance for Staff

Panel: CP

October 3-6 and October 12, 2011
10:00 a.m.
Innovative Gifting Inc., Terence Lushington, Z2A Corp., and Christine Hewitt

s. 127

M. Vaillancourt in attendance for Staff

Panel: PLK

October 5, 2011 10:00 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., Nutrione Corporation, Pocketop Corporation, Asia Telecom Ltd., Pharm Control Ltd., Cambridge Resources Corporation, Compushare Transfer Corporation, Federated Purchaser, Inc., TCC Industries, Inc., First National Entertainment Corporation, WGI Holdings, Inc. and Enerbrite Technologies Group s. 127 and 127.1 H. Craig in attendance for Staff Panel: TBA	October 17-24 and October 26-31, 2011 10:00 a.m.	Richvale Resource Corp., Marvin Winick, Howard Blumenfeld, John Colonna, Pasquale Schiavone, and Shafi Khan s. 127(7) and 127(8) C. Johnson in attendance for Staff Panel: EPK/MCH
October 11, 2011 2:30 p.m.	Global Consulting and Financial Services, Crown Capital Management Corporation, Canadian Private Audit Service, Executive Asset Management, Michael Chomica, Peter Siklos (Also Known As Peter Kuti), Jan Chomica, and Lorne Banks s. 127 H. Craig/C. Rossi in attendance for Staff Panel: CP	October 31, 2011 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 H. Craig in attendance for Staff Panel: MGC
October 13, 2011 10:00 a.m.	Portus Alternative Asset Management Inc., Portus Asset Management Inc., Boaz Manor, Michael Mendelson, Michael Labanowich and John Ogg s. 127 H Craig in attendance for Staff Panel: JEAT	October 31 – November 3, 2011 10:00 a.m.	QuantFX Asset Management Inc., Vadim Tsatskin, Lucien Shtromvasser and Rostislav Zemlinsky s. 127 C. Rossi in attendance for Staff Panel: JDC
		November 7, November 9-21, November 23 – December 2, 2011 10:00 a.m.	Majestic Supply Co. Inc., Suncastle Developments Corporation, Herbert Adams, Steve Bishop, Mary Kricfalusi, Kevin Loman and CBK Enterprises Inc. s. 37, 127 and 127.1 D. Ferris in attendance for Staff Panel: EPK/PLK
		November 14-21 and November 23-28, 2011 10:00 a.m.	Shaun Gerard McErlean, Securus Capital Inc., and Acquiesce Investments s. 127 M. Britton in attendance for Staff Panel: TBA

November 21, 2011 **Investment Industry Regulatory Organization Of Canada v. Mark Allen Dennis**

10:00 a.m.

S. 21.7

S. Horgan in attendance for Staff

Panel: MGC

November 23, 2011 **American Heritage Stock Transfer Inc., American Heritage Stock Transfer, Inc., BFM Industries Inc., Denver Gardner Inc., Sandy Winick, Andrea Lee McCarthy, Kolt Curry and Laura Mateyak**

10:00 a.m.

s. 127

J. Feasby in attendance for Staff

Panel: CP

December 1, 2011 **MBS Group (Canada) Ltd., Balbir Ahluwalia and Mohinder Ahluwalia**

10:00 a.m.

s. 37, 127 and 127.1

C. Rossi in attendance for staff

Panel: JEAT

December 1-5 and December 7-15, 2011 **Marlon Gary Hibbert, Ashanti Corporate Services Inc., Dominion International Resource Management Inc., Kabash Resource Management, Power to Create Wealth Inc. and Power to Create Wealth Inc. (Panama)**

10:00 a.m.

s. 127

S. Chandra in attendance for Staff

Panel: JDC

December 5 and December 7-16, 2011

10:00 a.m.

L. Jeffrey Pogachar, Paola Lombardi, Alan S. Price, New Life Capital Corp., New Life Capital Investments Inc., New Life Capital Advantage Inc., New Life Capital Strategies Inc., 1660690 Ontario Ltd., 2126375 Ontario Inc., 2108375 Ontario Inc., 2126533 Ontario Inc., 2152042 Ontario Inc., 2100228 Ontario Inc., and 2173817 Ontario Inc.

s. 127

M. Britton in attendance for Staff

Panel: EPK/PLK

December 19, 2011

9:00 a.m.

New Hudson Television Corporation, New Hudson Television L.L.C. & James Dmitry Salganov

s. 127

C. Watson in attendance for Staff

Panel: MGC

January 3-10, 2012

10:00 a.m.

Simply Wealth Financial Group Inc., Naida Allarde, Bernardo Giangrosso, K&S Global Wealth Creative Strategies Inc., Kevin Persaud, Maxine Lobban and Wayne Lobban

s. 127 and 127.1

C. Johnson in attendance for Staff

Panel: JDC

January 18-20, 2012

10:00 a.m.

Peter Beck, Swift Trade Inc. (continued as 7722656 Canada Inc.), Biremis, Corp., Opal Stone Financial Services S.A., Barka Co. Limited, Trieme Corporation and a limited partnership referred to as "Anguilla LP"

s. 127

B. Shulman in attendance for Staff

Panel: TBA

January 18-30
and February
1-10, 2012

10:00 a.m.

Global Energy Group, Ltd., New Gold Limited Partnerships, Christina Harper, Vadim Tsatskin, Michael Schaumer, Elliot Feder, Oded Pasternak, Alan Silverstein, Herbert Groberman, Allan Walker, Peter Robinson, Vyacheslav Brikman, Nikola Bajovski, Bruce Cohen and Andrew Shiff

s. 37, 127 and 127.1

H. Craig in attendance for Staff

Panel: TBA

January 26-27,
2012

10:00 a.m.

Empire Consulting Inc. and Desmond Chambers

s. 127

D. Ferris in attendance for Staff

Panel: TBA

February 1-13,
February 15-17
and February
21-23, 2012

10:00 a.m.

Irwin Boock, Stanton Defreitas, Jason Wong, Saudia Allie, Alena Dubinsky, Alex Khodjiaints Select American Transfer Co., Leasesmart, Inc., Advanced Growing Systems, Inc., International Energy Ltd., Nutrione Corporation, Pocketop Corporation, Asia Telecom Ltd., Pharm Control Ltd., Cambridge Resources Corporation, Compushare Transfer Corporation, Federated Purchaser, Inc., TCC Industries, Inc., First National Entertainment Corporation, WGI Holdings, Inc. and Enerbrite Technologies Group

s. 127 and 127.1

H. Craig in attendance for Staff

Panel: TBA

February 15-17,
2012

10:00 a.m.

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

s. 127 and 127.1

D. Ferris in attendance for Staff

Panel: TBA

February 29-
March 12 and
March 14-
March 21,
2012

10:00 a.m.

Ameron Oil and Gas Ltd., MX-IV Ltd., Gaye Knowles, Giorgio Knowles, Anthony Howorth, Vadim Tsatskin, Mark Grinshpun, Oded Pasternak, and Allan Walker

s. 127

H. Craig/C. Rossi in attendance for Staff

Panel: TBA

March 8, 2012

10:00 a.m.

Energy Syndications Inc., Green Syndications Inc., Syndications Canada Inc., Land Syndications Inc. and Douglas Chaddock

s. 127

C. Johnson in attendance for Staff

Panel: TBA

March 12,
March 14-26,
and March 28,
2012

10:00 a.m.

David M. O'Brien

s. 37, 127 and 127.1

B. Shulman in attendance for Staff

Panel: TBA

April 2-5, April
9, April 11-23
and April 25-27,
2012

10:00 a.m.

Bernard Boily

s. 127 and 127.1

M. Vaillancourt/U. Sheikh in attendance for Staff

Panel: TBA

April 30-May 7, May 9-18 and May 23-25, 2012 10:00 a.m.	Rezwealth Financial Services Inc., Pamela Ramoutar, Justin Ramoutar, Tiffin Financial Corporation, Daniel Tiffin, 2150129 Ontario Inc., Sylvan Blackett, 1778445 Ontario Inc. and Willoughby Smith	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(1) and (5)		s. 127
	A. Heydon in attendance for Staff		H. Craig in attendance for Staff
	Panel: TBA		Panel: TBA
TBA	Yama Abdullah Yaqeen	TBA	Lyndz Pharmaceuticals Inc., James Marketing Ltd., Michael Eatch and Rickey McKenzie
	s. 8(2)		s. 127(1) and (5)
	J. Superina in attendance for Staff		J. Feasby/C. Rossi in attendance for Staff
	Panel: TBA		Panel: TBA
TBA	Microsourceonline Inc., Michael Peter Anzelmo, Vito Curalli, Jaime S. Lobo, Sumit Majumdar and Jeffrey David Mandell	TBA	M P Global Financial Ltd., and Joe Feng Deng
	s. 127		s. 127 (1)
	J. Waechter in attendance for Staff		M. Britton in attendance for Staff
	Panel: TBA		Panel: TBA
TBA	Frank Dunn, Douglas Beatty, Michael Gollogly	TBA	Shane Suman and Monie Rahman
	s. 127		s. 127 and 127(1)
	K. Daniels in attendance for Staff		C. Price in attendance for Staff
	Panel: TBA		Panel: TBA
TBA	MRS Sciences Inc. (formerly Morningside Capital Corp.), Americo DeRosa, Ronald Sherman, Edward Emmons and Ivan Cavric	TBA	Gold-Quest International, Health and Harmony, Iain Buchanan and Lisa Buchanan
	s. 127 and 127(1)		s. 127
	D. Ferris in attendance for Staff		H. Craig in attendance for Staff
	Panel: TBA		Panel: TBA

TBA	<p>Brillante Brasilcan Resources Corp., York Rio Resources Inc., Brian W. Aidelman, Jason Georgiadis, Richard Taylor and Victor York</p> <p>s. 127</p> <p>H. Craig in attendance for Staff</p> <p>Panel: TBA</p>	TBA	<p>Alexander Christ Doulis (aka Alexander Christos Doulis, aka Alexandros Christodoulidis) and Liberty Consulting Ltd.</p> <p>s. 127</p> <p>S. Horgan in attendance for Staff</p> <p>Panel: TBA</p>
TBA	<p>Abel Da Silva</p> <p>s. 127</p> <p>C. Watson 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>H. Craig/C.Rossi in attendance for Staff</p> <p>Panel: TBA</p>
TBA	<p>Paul Azeff, Korin Bobrow, Mitchell Finkelstein, Howard Jeffrey Miller and Man Kin Cheng (a.k.a. Francis Cheng)</p> <p>s. 127</p> <p>T. Center/D. Campbell in attendance for Staff</p> <p>Panel: TBA</p>	TBA	<p>Paul Donald</p> <p>s. 127</p> <p>C. Price 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), Tulsiani Investments Inc., Sunil Tulsiani and Ravinder Tulsiani</p> <p>s. 127</p> <p>A. Perschy/C. Rossi in attendance for Staff</p> <p>Panel: TBA</p>	TBA	<p>Axcess Automation LLC, Axcess Fund Management, LLC, Axcess Fund, L.P., Gordon Alan Driver, David Rutledge, 6845941 Canada Inc. carrying on business as Anesis Investments, Steven M. Taylor, Berkshire Management Services Inc. carrying on business as International Communication Strategies, 1303066 Ontario Ltd. Carrying on business as ACG Graphic Communications, Montecassino Management Corporation, Reynold Mainse, World Class Communications Inc. and Ronald Mainse</p> <p>s. 127</p> <p>Y. Chisholm in attendance for Staff</p> <p>Panel: TBA</p>
TBA	<p>Merax Resource Management Ltd. carrying on business as Crown Capital Partners, Richard Mellon and Alex Elin</p> <p>s. 127</p> <p>T. Center 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>Ground Wealth Inc., Armadillo Energy Inc., Paul Schuett, Doug DeBoer, James Linde, Susan Lawson, Michelle Dunk, Adrion Smith, Bianca Soto and Terry Reichert</p> <p>s. 127</p> <p>S. Schumacher in attendance for Staff</p> <p>Panel: TBA</p>
TBA	<p>Goldpoint Resources Corporation, Pasqualino Novielli also known as Lee or Lino Novielli, Brian Patrick Moloney also known as Brian Caldwell, and Zaida Pimentel also known as Zaida Novielli</p> <p>s. 127(1) and 127(5)</p> <p>C. Watson in attendance for Staff</p> <p>Panel: TBA</p>	TBA	<p>Shallow Oil & Gas Inc., Eric O'Brien, Abel Da Silva, Gurdip Singh Gahunia aka Michael Gahunia and Abraham Herbert Grossman aka Allen Grossman</p> <p>s. 127(7) and 127(8)</p> <p>H. Craig in attendance for Staff</p> <p>Panel: TBA</p>
TBA	<p>Lehman Brothers & Associates Corp., Greg Marks, Kent Emerson Lounds and Gregory William Higgins</p> <p>s. 127</p> <p>C. Rossi in attendance for Staff</p> <p>Panel: TBA</p>	TBA	<p>Heir Home Equity Investment Rewards Inc.; FFI First Fruit Investments Inc.; Wealth Building Mortgages Inc.; Archibald Robertson; Eric Deschamps; Canyon Acquisitions, LLC; Canyon Acquisitions International, LLC; Brent Borland; Wayne D. Robbins; Marco Caruso; Placencia Estates Development, Ltd.; Copal Resort Development Group, LLC; Rendezvous Island, Ltd.; The Placencia Marina, Ltd.; and The Placencia Hotel and Residences Ltd.</p> <p>s. 127</p> <p>A. Perschy / B. Shulman in attendance for Staff</p> <p>Panel: TBA</p>
TBA	<p>Peter Sbaraglia</p> <p>s. 127</p> <p>S. Horgan/P. Foy in attendance for Staff</p> <p>Panel: TBA</p>		
TBA	<p>Crown Hill Capital Corporation and Wayne Lawrence Pushka</p> <p>s. 127</p> <p>A. Perschy in attendance for Staff</p> <p>Panel: TBA</p>		

TBA **Normand Gauthier, Gentree Asset Management Inc., R.E.A.L. Group Fund III (Canada) LP, and CanPro Income Fund I, LP**

s. 127

B. Shulman in attendance for Staff

Panel: TBA

TBA **Sino-Forest Corporation, Allen Chan, Albert Ip, Alfred C.T. Hung, George Ho and Simon Yeung**

s. 127

A. Perschy/H. Craig in attendance for Staff

Panel: TBA

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, Network Financial Group Inc., and Network Marketing Solutions**

s. 127 and 127.1

H. Daley in attendance for Staff

Panel: TBA

ADJOURNED SINE DIE

Global Privacy Management Trust and Robert Cranston

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

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

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

1.1.2 Consultation Session on Proposed NI 51-103 Ongoing Governance and Disclosure Requirements for Venture Issuers

A Consultation Session on Proposed NI 51-103 *Ongoing Governance and Disclosure Requirements for Venture Issuers*

Staff of the Ontario Securities Commission invites you to attend a consultation session on proposed National Instrument 51-103 *Ongoing Governance and Disclosure Requirements for Venture Issuers* (NI 51-103). This session is designed to assist venture issuers, their advisors and their investors in understanding the key differences between NI 51-102 *Continuous Disclosure Obligations* and Proposed NI 51-103 and express their views prior to the end of the comment period on October 27, 2011. This will allow sufficient time to venture market stakeholders to provide written comments on the proposals.

Choice of Sessions

Dates: Tuesday, September 20, 2011 (1:30 pm to 4:00 pm)

Tuesday, October 4, 2011 (8:30 am to 11:00 am)

Location: 22nd Floor OSC Training Room
20 Queen Street West, Toronto, Ontario

Cost: No charge

RSVP: Sharon D'mello
Email: sdmello@osc.gov.on.ca
Deadline: Tuesday, September 13, 2011



OBJECTIVE

On July 29, 2011, the Canadian Securities Administrators (CSA) published for comment proposed NI 51-103.

The proposed rule introduces a new mandatory regulatory regime for venture issuers. It is designed to streamline and tailor venture issuer disclosure to make it more useful and user-friendly for investors.

The CSA is seeking written comments from investors and industry on the proposed national instrument and related amendments. As such, we want to help you familiarize yourself with NI 51-103 by holding information sessions prior to the end of the comment period. We are seeking input from participants in the venture market and your contribution is valuable to this process.

To formally comment, please refer to the CSA Notice and Request for Comment announcing proposed NI 51-103, proposed amendments to National Instrument 41-101 *General Prospectus Requirements*, National Instrument 44-101 *Short Form Prospectus Distributions*, and National Instrument 45-106 *Prospectus and Registration Exemptions*, and related consequential amendments, which are available on the OSC website: <http://www.osc.gov.on.ca/en/32707.htm>.

WHO SHOULD ATTEND

- Chief Financial Officers and individuals involved in the preparation of continuous disclosure documents
- External counsels, auditors and other advisors to venture issuers
- Portfolio managers, institutional investors and retail investors which invest in venture issuers
- Independent directors, including audit committee members of venture issuers

AGENDA

September 20, 2011

1:30 p.m. – 2:00 p.m.
2:00 p.m. – 2:30 p.m.
2:30 p.m. – 3:45 p.m.
3:45 p.m. – 4:00 p.m.

October 4, 2011

8:30 a.m. – 9:00 a.m.
9:00 a.m. – 9:30 a.m.
9:30 a.m. – 10:45 a.m.
10:45 a.m. – 11:00 a.m.

Registration
Presentation of proposals
Questions and discussion on proposals
Summary of results and wrap-up

LEADERS from the CORPORATE FINANCE BRANCH

Lisa Enright, Michael Tang and Marie-France Bourret

1.1.3 Seminar on Technical and Environmental Disclosure to Assist Public Mining Companies

A Free Seminar on Technical and Environmental Disclosure to Assist Public Mining Companies

The Corporate Finance Branch of the Ontario Securities Commission invites you to attend a free seminar designed to assist mining companies in understanding:

- the key changes to NI 43-101 *Standards of Disclosure for Mineral Projects* that came into force in June 2011
- the environmental disclosure requirements in the MD&A and annual information forms

Choice of Seminar

Dates: Wednesday, September 21, 2011
Friday, October 14, 2011

Time: 9:00 to 10:30 a.m.

Location: 22nd Floor OSC Training Room
20 Queen Street West, Toronto, Ontario

Cost: No charge

RSVP: Nancy Macnab
Email: nmacnab@osc.gov.on.ca



This seminar may qualify for continuing professional education

Please note that space is limited.

OBJECTIVE

Mining companies face unprecedented risks and challenges in the exploration and development of mineral deposits in addition to keeping up with an evolving regulatory landscape. Companies are also recognizing that environmental matters may affect their operations, financial results, reputation and access to and cost of capital. Investors are increasingly interested in environmental matters and are asking for more information about them.

We want to help provide you with the tools and information you need to understand the technical mining and environmental reporting requirements under Ontario securities law.

WHO SHOULD ATTEND

- Chief Financial Officers and others involved in the preparation of continuous disclosure documents (including MD&A and annual information forms)
- External counsel and advisors to public mining companies
- Qualified persons, both in-house and independent
- Audit committee members

CONTENT

Key changes to NI 43-101, including:

- New triggers for technical reports
- New technical report content requirements

Environmental disclosure requirements, including:

- Materiality of environmental matters
- Environmental risks, trends and uncertainties
- Environmental liabilities and the impact of adoption of IFRS
- Asset retirement obligations
- Environmental risk oversight and management

SEMINAR LEADERS

NI 43-101 Team: Craig Waldie, Senior Geologist and James Whyte, Senior Geologist
Environmental Disclosure Team: Jo-Anne Matear, Assistant Manager (Legal), Christine Krikorian, Accountant and Daphne Wong, Analyst (Legal)

BENEFITS OF ATTENDING

This seminar will cover public company disclosure requirements that are of particular interest to mining companies.

- discover the key changes to NI 43-101 and their impact on your reporting obligations
- become familiar with the environmental reporting guidance in CSA Staff Notice 51-333
- understand the relevant requirements and the perspective of the securities regulators
- learn about common deficiencies and how to avoid them in your disclosure
- learn to prepare meaningful and relevant continuous disclosure

1.1.4 CSA Multilateral Staff Notice 51-336 – Issuers Using Mass Advertising

CSA MULTILATERAL STAFF NOTICE 51-336 ISSUERS USING MASS ADVERTISING

September 13, 2011

This notice sets out the views of staff (staff or we) of the participating CSA Jurisdictions (Alberta, Ontario, Québec, Nova Scotia, New Brunswick and Northwest Territories, collectively, the “Jurisdictions”) with respect to companies (issuers) using television advertising in an apparent effort to promote interest in an issuer’s securities.

The concerns highlighted in this notice with respect to television advertising apply equally to advertising through other means such as radio, internet, social media or print.

Observed Practice

Staff have observed a practice, primarily used by junior issuers in various industries, whereby they are using television advertisements that are generally 15 to 30 seconds in length and focus mainly on positive aspects of the issuer’s business or its prospects. In the case of an issuer listed on a stock exchange, the issuer’s stock symbol figures prominently in the communication. In the case of an unlisted issuer, contact information is generally provided for investment enquiries. These advertisements appear to be for the specific purpose of promoting interest in the issuer’s securities.

Staff’s View

We are of the view that these advertisements may fail to comply with disclosure requirements under the securities legislation in the Jurisdictions (as discussed more fully below) and/or may be misleading to investors.

General comments on advertisements

We think that advertisements of the nature described above may be contrary to securities legislation and misleading to investors. These types of advertisements do not appear to be aimed at selling the products or services of the issuer or raising public awareness of the issuer. This notice is not directed towards advertising or publicity campaigns that are legitimately aimed at such purposes.

In addition to the specific compliance issues relating to the advertisements and the investor protection concerns that they raise, we think that advertising apparently intended to promote trading in an issuer’s securities does not reflect positively on issuers or the Canadian capital markets.

Restrictions on advertising during prospectus distributions

Advertising or marketing activities undertaken during a period of distribution of securities or in furtherance of a distribution are subject to restrictions in the Jurisdictions. Restricted advertising or marketing activities may be oral, written or electronic and include television advertisements. For more information, please refer to National Instrument 41-101 *General Prospectus Requirements* and Companion Policy 41-101CP *Companion Policy to National Instrument 41-101 General Prospectus Requirements*.

Requirements applicable to mining and oil and gas disclosure

A number of these advertisements contain scientific and technical disclosure regarding mineral or oil and gas projects. Disclosure by an issuer related to mineral projects must comply with National Instrument 43-101 *Standards of Disclosure for Mineral Projects* (NI 43-101). Part 2 of NI 43-101 requires that all disclosure made by an issuer of scientific or technical information (including disclosure of mineral resource or mineral reserve) concerning a mineral project on a property material to the issuer must be based upon information prepared by or under the supervision of a qualified person or approved by a qualified person. Similarly, the specific disclosure requirements under Part 5 of National Instrument 51-101 *Standards of Disclosure for Oil and Gas Activities* apply to disclosure of reserves and other information made by an issuer engaged in oil and gas activities.

Future action

We will continue to monitor advertisements by issuers. If an issuer’s advertisement breaches securities legislation (including the relevant National Instruments), or appears to be misleading to investors or contrary to the public interest, the issuer should anticipate that staff will take appropriate regulatory action which may include a review of the issuer’s overall disclosure or issuances of securities.

Questions

If you have questions or require further information, please contact:

Eric Keller
Securities Investigator, Enforcement
Alberta Securities Commission
Phone: (403) 297-2659
e-mail: eric.keller@asc.ca

Jan Mazur
Compliance Analyst, Corporate Finance
Alberta Securities Commission
Phone: (403) 297-2091
e-mail: jan.mazur@asc.ca

Jo-Anne Matear
Assistant Manager, Corporate Finance Branch
Ontario Securities Commission
Phone: (416) 593-2323
e-mail: jmatear@osc.gov.on.ca

Michael Bennett
Senior Legal Counsel, Corporate Finance Branch
Ontario Securities Commission
Phone: (416) 593-8079
e-mail: mbennett@osc.gov.on.ca

Alida Gualtieri
Manager, Continuous Disclosure
Autorité des marchés financiers
Phone: (514)395-0337 ext. 4401
email: alida.gualtieri@lautorite.qc.ca

Susan Powell
Acting Director, Regulatory Affairs
New Brunswick Securities Commission
Phone: (506) 643-7697
email: susan.powell@nbsc-cvmnb.ca

Kevin Redden
Director, Corporate Finance
Nova Scotia Securities Commission
Phone: (902)424-5343
email: reddenkg@gov.ns.ca

Donald MacDougall
Manager, Securities & Corporate
Legal Registries, Department of Justice
Government of the Northwest Territories
Phone: (867) 920-8984
email: donald_macdougall@gov.nt.ca

1.1.5 CSA Staff Notice 31-328 – Revocation of Omnibus / Blanket Orders Exempting Registrants from Certain Provisions of National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations

CSA STAFF NOTICE 31-328

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

September 16, 2011

On February 26, 2010 and November 5, 2010, each of the Canadian Securities Administrators (the CSA or we) issued parallel orders (collectively, the orders) that provided relief from certain requirements of National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations* (NI 31-103).

Certain amendments to NI 31-103 were published by the CSA on April 15, 2011 and became effective on July 11, 2011. As a result, exemptive relief that was previously provided pursuant to the orders has now been addressed in NI 31-103. As indicated in the chart below, NI 31-103 provides equivalent or broader relief to that provided for in the orders, subject to a minor difference in the case of the order referred to in item 6. As a result, we are revoking the orders. In Alberta, the revocation of the orders was effective on July 11, 2011.

Omnibus / Blanket order	Status
1. Relief from the chief compliance officer (CCO) proficiency requirements for portfolio managers adding a category	<p>This order is revoked.</p> <p>The relief has been incorporated in sections 3.6(c), 3.10(c) and 3.14(d) of NI 31-103.</p>
2. Relief from proficiency requirements for portfolio managers adding registration in the mutual fund dealer or exempt market dealer category	<p>This order is revoked.</p> <p>The relief has been incorporated in sections 3.5(d) and 3.9(e) of NI 31-103.</p>
3. Relief from client notification requirements under section 14.5 of NI 31-103 for certain Canadian registrants with head offices outside of the local jurisdiction	<p>This order is revoked.</p> <p>The relief has been incorporated in section 14.5(2) of NI 31-103.</p>
4. Relief from requirements to establish whether a client is an insider of a reporting issuer or any other issuer whose securities are publicly traded under section 13.2(2)(b) of NI 31-103 for mutual fund dealers	<p>This order was revoked by a subsequent order that provided the same relief to both mutual fund dealers and scholarship plan dealers effective November 5, 2010. Please refer to CSA Staff Notice 31-321 dated November 5, 2010.</p>
5. Relief from the requirement under section 13.2(2)(b) of NI 31-103 to establish whether a client is an insider of a reporting issuer or any other issuer whose securities are publicly traded in respect of a client for which the registrant only trades securities referred to in section 7.1(2)(b) or (c) of NI 31-103	<p>This order, which replaced the order mentioned in item 4 of this chart, is revoked.</p> <p>The relief has been incorporated in section 13.2(7) of NI 31-103.</p>
6. Relief from the requirement under section 13.2(3)(b)(i) of NI 31-103 for a registered mutual fund dealer to establish the identity of any individual who owns or controls more than 10% of the voting rights attached to the voting securities of a corporation that is a client of the mutual fund dealer	<p>This order is revoked.</p> <p>The relief provided for in the order has been incorporated in section 13.2(3) of NI 31-103, subject to the following changes:</p> <ul style="list-style-type: none"> the percentage of the voting rights in clause (b)(i) has been increased from 10% to 25% for all categories of registered firms (and not just mutual fund dealers)

Omnibus / Blanket order	Status
	<ul style="list-style-type: none"> • this percentage now applies to voting rights attached to outstanding voting securities of the corporation, whereas the order referred to 25% of outstanding shares • section 13.2(3) of NI 31-103 does not refer to the provisions of the <i>Proceeds of Crime (Money Laundering) and Terrorist Financing Act</i> (Canada), including applicable exemptions in that legislation.

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

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

Questions

Please refer your questions to any of the following CSA staff:

Lindy Bremner
 Senior Legal Counsel, Capital Markets Regulation
 British Columbia Securities Commission
 Tel: 604-899-6678
 Fax: 1-800-373-6393
lbremner@bcsc.bc.ca

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

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

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

Robert F. Kohl
 Senior Legal Counsel, Compliance and Registrant Regulation
 Ontario Securities Commission
 Tel: 416-593-8233
rkohl@osc.gov.on.ca

Sophie Jean
Analyste expert en réglementation – pratiques de distribution
Autorité des marchés financiers
Tel: 514-395-0337, ext. 4786
Toll-free: 1-877-525-0337
sophie.jean@lautorite.qc.ca

Jason L. Alcorn
Legal Counsel
New Brunswick Securities Commission
Tel: 506-643-7857
jason.alcorn@nbsec-cvmnb.ca

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

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

Craig Whalen
Manager of Licensing, Registration and Compliance
Office of the Superintendent of Securities
Government of Newfoundland and Labrador
Tel: 709-729-5661
cwhalen@gov.nl.ca

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

Donn MacDougall
Deputy Superintendent, Legal & Enforcement
Office of the Superintendent of Securities
Government of the Northwest Territories
Tel: 867-920-8984
donald.macdougall@gov.nt.ca

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

1.1.6 OSC Staff Notice 31-714 – OSC Staff Supplement to CSA Staff Notice 31-328 Revocation of Omnibus/Blanket Orders Exempting Registrants from Certain Provisions of National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations

OSC STAFF NOTICE 31-714

**OSC STAFF SUPPLEMENT TO CSA STAFF NOTICE 31-328
REVOCATION OF OMNIBUS/BLANKET ORDERS EXEMPTING
REGISTRANTS FROM CERTAIN PROVISIONS OF
NATIONAL INSTRUMENT 31-103 REGISTRATION REQUIREMENTS,
EXEMPTIONS AND ONGOING REGISTRANT OBLIGATIONS**

September 16, 2011

The Canadian Securities Administrators (the **CSA**) are today publishing a notice (**CSA Staff Notice 31-328**) relating to the revocation of certain parallel orders that were effective on February 26, 2010 and November 5, 2010. These orders provided relief from certain requirements of National Instrument 31-103 *Registration Requirements and Exemptions*, now renamed National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations* (**NI 31-103**).

CSA Staff Notice 31-328 includes a chart that refers generically to the orders being revoked. Below is a supplemented version of that chart that specifically identifies the corresponding Ontario orders. These Ontario orders have been revoked, effective September 16, 2011. For further details regarding the revocation of these orders, see CSA Staff Notice 31-328.

Omnibus/Blanket order	Ontario order	Status
1. Relief from the chief compliance officer (CCO) proficiency requirements for portfolio managers adding a category	<i>In the Matter of National Instrument 31-103 Registration Requirements and Exemptions and Vantage Asset Management Inc. and other Portfolio Managers applying for registration in another category, (2010) 33 OSCB 1777</i>	This order is revoked. The relief has been incorporated in sections 3.6(c), 3.10(c) and 3.14(d) of NI 31-103.
2. Relief from proficiency requirements for portfolio managers adding registration in the mutual fund dealer or exempt market dealer category	<i>In the Matter of National Instrument 31-103 Registration Requirements and Exemptions and Christopher Miller and other Advising Representatives of Portfolio Managers applying for registration as Dealing Representatives, (2010) 33 OSCB 1771</i>	This order is revoked. The relief has been incorporated in sections 3.5(d) and 3.9(e) of NI 31-103.
3. Relief from client notification requirements under section 14.5 of NI 31-103 for certain Canadian registrants with head offices outside of the local jurisdiction	<i>In the Matter of National Instrument 31-103 Registration Requirements and Exemptions and Raymond James Ltd. and certain other registered firms registered as of the date of this decision, (2010) 33 OSCB 1772</i>	This order is revoked. The relief has been incorporated in section 14.5(2) of NI 31-103.
4. Relief from requirements to establish whether a client is an insider of a reporting issuer or any other issuer whose securities are publicly traded under section 13.2(2)(b) of NI 31-103 for mutual fund dealers	<i>In the Matter of National Instrument 31-103 Registration Requirements and Exemptions and Scotia Securities Inc. and other Mutual Fund Dealers registered as of the date of this decision, (2010) 33 OSCB 1775</i>	This order was revoked by a subsequent order that provided the same relief to both mutual fund dealers and scholarship plan dealers effective November 5, 2010. Please refer to CSA Staff Notice 31-321 dated November 5, 2010.

Omnibus/Blanket order	Ontario order	Status
5. Relief from the requirement under section 13.2(2)(b) of NI 31-103 to establish whether a client is an insider of a reporting issuer or any other issuer whose securities are publicly traded in respect of a client for which the registrant only trades securities referred to in section 7.1(2)(b) or (c) of NI 31-103	<i>In the Matter of National Instrument 31-103 Registration Requirements and Exemptions and In the Matter of USC Education Savings Plans Inc. and others registered as of the date of this decision, (2010) 33 OSCB 10163</i>	<p>This order, which replaced the order mentioned in item 4 of this chart, is revoked.</p> <p>The relief has been incorporated in section 13.2(7) of NI 31-103.</p>
6. Relief from the requirement under section 13.2(3)(b)(i) of NI 31-103 for a registered mutual fund dealer to establish the identity of any individual who owns or controls more than 10% of the voting rights attached to the voting securities of a corporation that is a client of the mutual fund dealer	<i>In the Matter of National Instrument 31-103 Registration Requirements and Exemptions and In the Matter of Scotia Securities Inc. and other Mutual Fund Dealers registered as of the date of this decision, (2010) 33 OSCB 10162</i>	<p>This order is revoked.</p> <p>The relief provided for in the order has been incorporated in section 13.2(3) of NI 31-103, subject to the following changes:</p> <ul style="list-style-type: none"> the percentage of the voting rights in clause (b)(i) has been increased from 10% to 25% for all categories of registered firms (and not just mutual fund dealers) this percentage now applies to voting rights attached to outstanding voting securities of the corporation, whereas the order referred to 25% of outstanding shares section 13.2(3) of NI 31-103 does not refer to the provisions of the <i>Proceeds of Crime (Money Laundering) and Terrorist Financing Act</i> (Canada), including applicable exemptions in that legislation.

We are publishing the Ontario revocation orders with this Notice.

Questions

Please refer your questions to any of:

Robert F. Kohl
Senior Legal Counsel, Compliance and Registrant Regulation
Ontario Securities Commission
Tel: 416-593-8233
rkohl@osc.gov.on.ca

Leigh-Ann Ronen
Legal Counsel, Compliance and Registrant Regulation
Ontario Securities Commission
Tel: 416-204-8954
lrone@osc.gov.on.ca

1.2 Notices of Hearing

1.2.1 Ian Overton

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

AND

**IN THE MATTER OF
IAN OVERTON**

NOTICE OF HEARING

TAKE NOTICE that the Ontario Securities Commission (the "Commission") will hold a hearing pursuant to section 127 of the *Securities Act*, R.S.O. 1990, c. S.5, as amended, at the offices of the Commission located at 20 Queen Street West, Toronto, 17th Floor, on September 14, 2011 at 4:30 p.m. or soon thereafter as the hearing can be held;

AND TAKE NOTICE that the purpose of the hearing is for the Commission to consider whether it is in the public interest to approve a settlement agreement entered into between Staff of the Commission and Ian Overton.

DATED at Toronto this 9th day of September, 2011

"John Stevenson"
Secretary of the Commission

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

AND

**IN THE MATTER OF
IAN OVERTON**

**STATEMENT OF ALLEGATIONS OF
STAFF OF THE ONTARIO SECURITIES COMMISSION
(Section 127)**

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

I. OVERVIEW

2. Ian Overton (the "Respondent" or "Overton"), who was the designated compliance officer ("DCO") of a limited market dealer, failed to ensure that the limited market dealer kept books, records and other documents as were necessary for the proper recording of the business transactions and financial affairs of the limited market dealer contrary to section 19(1) of the *Securities Act*, R.S.O. 1990 c. S.5 as amended (the "Act"). Overton, as a registrant, also failed in his duty to act fairly with his clients by receiving compensation directly from a third party and failing to ensure that such compensation earned by the limited market dealer under a fee splitting and other consulting engagements were properly reflected in the limited market dealer's books and records contrary to section 2.1 of OSC Rule 31-505 *Conditions of Registration*. Overton as the DCO at the limited market dealer also failed to provide adequate compliance oversight and supervision over the activities of the limited market dealer contrary to sections 1.3 and 3.1 of OSC Rule 31-505 *Conditions of Registration*.

II. THE RESPONDENT

3. Between 2007 and 2010 (the "Material Time"), Overton was an officer of MAK Allen & Day Capital Partners Inc. ("MAK") and, as of June 2007, Overton was registered with the Commission as the DCO of MAK.

4. MAK was registered as a limited market dealer or as an exempt market dealer during the Material Time. MAK was part of the frontierAlt ("FALT") financial organization by virtue of it being a wholly owned subsidiary of the FALT parent company, frontierAlt Capital Corporation.

III. PARTICULARS OF ALLEGATIONS

5. The FALT financial organization consisted of, among other things, a public mutual fund, frontierAlt Resource Capital Class Fund ("FALT Resource"), and two limited partnerships organized as public non-redeemable investment funds namely frontierAlt 2007 Energy & Precious Metals Flow-Through Limited Partnership ("FALT 2007 LP") and frontierAlt 2008 Precious Metals & Energy Flow-Through Limited Partnership ("FALT 2008 LP" and together with FALT 2007 LP, the "FALT LPs").

6. FALT Resource and the FALT LPs (collectively the "FALT Investment Funds") retained a third-party investment counsel and portfolio manager ("ICPM") to provide ICPM services to the FALT Investment Funds pursuant to portfolio management contracts.

7. The FALT LPs prepared and filed prospectuses and raised approximately \$24 million from the public in December 2007 and April 2008. The FALT LPs and FALT Resource were active purchasers and sellers of securities of resource issuers including private placement purchases which in the case of the FALT LPs were principally flow through securities which generated income tax benefits for the FALT LPs limited partners. MAK's market intermediation consisted predominantly of facilitating the private placement purchases of securities of resource issuers by the FALT Investment Funds.

8. In practice, investment recommendations to the ICPM were routinely made by representatives of MAK, principally Overton, and the approval of the investments by the ICPM was routinely received by MAK verbally. No written trade instructions were received by MAK from the ICPM and MAK did not record the trade instructions from the ICPM.

9. During the Material Time, Overton failed to ensure that MAK kept proper books and records respecting its dealer activities. Overton failed to ensure that MAK maintained an adequate trading blotter, a record of trade instructions received from the ICPM of the FALT Investment Funds and a complete record of client documentation including subscription agreements for all its clients.

10. In 2009, MAK earned fees through a fee splitting referral arrangement with a third-party dealer. Such dealer had arranged for a flow-through investment in an issuer by a party unrelated to FALT. On the authority of a principal of MAK, a portion of the MAK-earned fee (warrants) was paid directly to Overton. Overton failed to ensure that all the fees earned by MAK under the fee splitting referral arrangement with the dealer were properly reflected in MAK's books and records.

11. In September 2009, Overton, on the authority of a principal of MAK, received shares directly from a third-party issuer pursuant to an engagement with MAK. Overton failed to ensure that all of the fees received by MAK pursuant to the engagement were properly reflected in MAK's books and records.

12. Also in 2009, an issuer engaged MAK to provide consulting services. On the authority of a principal of MAK, Overton received directly a portion of the fee (shares) earned by MAK. Overton failed to ensure that all the fees earned by MAK were properly reflected in MAK's books and records.

13. During the Material Time as described in this Part, Overton failed in his duty as the DCO at MAK to provide adequate compliance oversight and supervision over the

activities of MAK and to ensure adequate books and records were kept.

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

14. By engaging in the conduct as described above, the Respondent acted contrary to Ontario securities law and contrary to the public interest.

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

DATED at Toronto this 9th day of September, 2011.

**1.2.2 Canadian Derivatives Clearing Corporation
and Sino-Forest Corporation et al. – s. 144**

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

AND

**IN THE MATTER OF
CANADIAN DERIVATIVES CLEARING CORPORATION**

AND

**IN THE MATTER OF
SINO-FOREST CORPORATION, ALLEN CHAN,
ALBERT IP, ALFRED C.T. HUNG, GEORGE HO
AND SIMON YEUNG**

**NOTICE OF HEARING
(Section 144)**

WHEREAS on August 26, 2011, the Ontario Securities Commission (the "Commission") issued a temporary order pursuant to sections 127(1) and 127(5) of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "Act") and an order pursuant to section 144 of the Act varying the prior order (together, the "Temporary Order");

AND WHEREAS the Temporary Order ordered that all trading in the securities of Sino-Forest Corporation ("Sino-Forest") shall cease and that all trading by Allen Chan, Albert Ip, Alfred C.T. Hung, George Ho and Simon Yeung in securities shall cease;

AND WHEREAS on September 8, 2011 the Commission extended the Temporary Order until January 25, 2012;

AND WHEREAS on September 12, 2011 Canadian Derivatives Clearing Corporation ("CDCC") made an application pursuant to section 144 of the Act for an order varying the Temporary Order;

TAKE NOTICE THAT the Commission will hold a hearing (the "Hearing") pursuant to section 144 of the Act in Hearing Room A of the Commission, 20 Queen Street West, 17th Floor, commencing on **September 14, 2011** at 8:30 a.m., or as soon thereafter as the Hearing can be held;

TO CONSIDER an application by CDCC and determine whether it is in the public interest for the Commission:

- (i) to vary the Temporary Order to (a) permit the holders of outstanding put contracts, issued and cleared by CDCC, and providing for the sale of common shares of Sino-Forest (the "Put Contracts") to exercise their rights of sale under each Put Contract, (b) permit the sellers of outstanding Put Contracts to perform

their obligations to purchase Sino-Forest shares upon the exercise of Put Contracts sold by them, and (c) permit CDCC and each of its member firms to perform their respective obligations under CDCC's Rules including all requisite acts in furtherance of the trades described in (a) and (b); and

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

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

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

DATED at Toronto this 12th day of September, 2011.

"John Stevenson"
Secretary to the Commission

1.3 News Releases

1.3.1 OSC Panel Issues Decision Regarding the Temporary Order Against Alexander Christ Doulis and Liberty Consulting Ltd.

For investor inquiries:

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

**FOR IMMEDIATE RELEASE
September 12, 2011**

**OSC PANEL ISSUES DECISION REGARDING
THE TEMPORARY ORDER AGAINST
ALEXANDER CHRIST DOULIS AND
LIBERTY CONSULTING LTD.**

TORONTO – In a decision released today, an Ontario Securities Commission panel issued its reasons supporting the issuance of a temporary cease trade order against Alexander Christ Doulis (aka Alexander Christos Doulis, aka Alexandros Christodoulidis) ("Doulis") and Liberty Consulting Ltd. ("Liberty").

The Temporary Order relates to allegations brought by Commission Staff that, between January 1, 2004 and September 2010, Doulis and Liberty advised in securities without registration, contrary to the *Securities Act* (Ontario). Staff have also alleged that Doulis misled Staff during their investigation of his conduct.

The Commission panel found that, "it appears to us that Doulis is giving investment advice to the Ontario Clients and that they are paying him for that advice, although indirectly, through Liberty."

The panel's decision reaffirmed the principle that "the Act's requirements for registration are critical to the Commission's ability to protect investors and ensure that those who participate in Ontario's capital markets on behalf of investors meet the required standards for proficiency, solvency and integrity."

A Statement of Allegations in this matter was issued on January 14, 2011, and is available on the OSC website at www.osc.gov.on.ca. A hearing on the merits will be scheduled.

For media inquiries:

media_inquiries@osc.gov.on.ca

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

Carolyn Shaw-Rimmington
Manager, Public Affairs
416-593-2361

Dylan Rae
Media Relations Specialist
416-595-8934

1.4 Notices from the Office of the Secretary

1.4.1 Sino-Forest Corporation et al.

**FOR IMMEDIATE RELEASE
September 8, 2011**

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

AND

**IN THE MATTER OF
SINO-FOREST CORPORATION, ALLEN CHAN,
ALBERT IP, ALFRED C.T. HUNG, GEORGE HO
AND SIMON YEUNG**

TORONTO – Following the hearing held today, the Commission issued an order in the above named matter which provides that pursuant to subsections 127(7) and (8) of the Act the Temporary Order is extended until January 25, 2012.

A copy of the Order dated September 8, 2011 is available at www.osc.gov.on.ca.

OFFICE OF THE SECRETARY
JOHN P. STEVENSON
SECRETARY

For media inquiries:
media_inquiries@osc.gov.on.ca

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

Carolyn Shaw-Rimmington
Manager, Public Affairs
416-593-2361

Dylan Rae
Media Relations Specialist
416-595-8934

For investor inquiries:

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

1.4.2 Normand Gauthier et al.

**FOR IMMEDIATE RELEASE
September 8, 2011**

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

AND

**IN THE MATTER OF
NORMAND GAUTHIER,
GENTREE ASSET MANAGEMENT INC.,
R.E.A.L. GROUP FUND III (CANADA) LP, and
CANPRO INCOME FUND I, LP**

TORONTO – The Commission issued an Order in the above named matter which provides that, pursuant to section 127 of the Act, 1) the Temporary Order shall remain in effect until such further order of the Commission; and 2) the hearing is adjourned to September 15, 2011 at 10:00 a.m. or to such other date or time as may be agreed to by the parties and arranged through the Office of the Secretary for a hearing or for such other purposes as may be requested.

A copy of the Order dated September 8, 2011 is available at www.osc.gov.on.ca.

OFFICE OF THE SECRETARY
JOHN P. STEVENSON
SECRETARY

For media inquiries:
media_inquiries@osc.gov.on.ca

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

Carolyn Shaw-Rimmington
Manager, Public Affairs
416-593-2361

Dylan Rae
Media Relations Specialist
416-595-8934

For investor inquiries:

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

1.4.3 Ian Overton

**FOR IMMEDIATE RELEASE
September 12, 2011**

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

AND

**IN THE MATTER OF
IAN OVERTON**

TORONTO – The Office of the Secretary issued a Notice of Hearing for a hearing to consider whether it is in the public interest to approve a settlement agreement entered into by Staff of the Commission and Ian Overton. The hearing will be held on September 14, 2011 in Hearing Room B on the 17th floor of the Commission's offices located at 20 Queen Street West, Toronto.

A copy of the Notice of Hearing dated September 9, 2011 and Statement of Allegations of Staff of the Commission dated September 9, 2011 are available at www.osc.gov.on.ca.

OFFICE OF THE SECRETARY
JOHN P. STEVENSON
SECRETARY

For media inquiries:
media_inquiries@osc.gov.on.ca

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

Carolyn Shaw-Rimmington
Manager, Public Affairs
416-593-2361

Dylan Rae
Media Relations Specialist
416-595-8934

For investor inquiries:

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

1.4.4 American Heritage Stock Transfer Inc. et al.

**FOR IMMEDIATE RELEASE
September 9, 2011**

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

AND

**IN THE MATTER OF
AMERICAN HERITAGE STOCK TRANSFER INC.,
AMERICAN HERITAGE STOCK TRANSFER, INC.,
BFM INDUSTRIES INC., DENVER GARDNER INC.,
SANDY WINICK, ANDREA LEE MCCARTHY,
KOLT CURRY AND LAURA MATEYAK**

TORONTO – The Commission issued an Order in the above named matter which provides that (1) the Temporary Order is extended until November 24, 2011, or until further order of the Commission; and (2) this matter shall return before the Commission on November 23, 2011, at 10:00 a.m. or on such other date or time as specified by the Secretary's Office and agreed to by the parties.

A copy of the Order dated September 8, 2011 is available at www.osc.gov.on.ca.

OFFICE OF THE SECRETARY
JOHN P. STEVENSON
SECRETARY

For media inquiries:
media_inquiries@osc.gov.on.ca

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

Carolyn Shaw-Rimmington
Manager, Public Affairs
416-593-2361

Dylan Rae
Media Relations Specialist
416-595-8934

For investor inquiries:

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

1.4.5 Alexander Christ Doulis et al.

**FOR IMMEDIATE RELEASE
September 12, 2011**

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

AND

**IN THE MATTER OF
ALEXANDER CHRIST DOULIS
(aka ALEXANDER CHRISTOS DOULIS,
aka ALEXANDROS CHRISTODOULIDIS)
and LIBERTY CONSULTING LTD.**

TORONTO – The Commission issued an Order and Reasons on an Application for a Temporary Order pursuant to Section 127 of the Act in the above named matter.

A copy of the Order and the Reasons and Decision dated September 9, 2011 are available at www.osc.gov.on.ca.

OFFICE OF THE SECRETARY
JOHN P. STEVENSON
SECRETARY

For media inquiries:
media_inquiries@osc.gov.on.ca

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

Carolyn Shaw-Rimmington
Manager, Public Affairs
416-593-2361

Dylan Rae
Media Relations Specialist
416-595-8934

For investor inquiries:

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

1.4.6 Energy Syndications Inc. et al.

**FOR IMMEDIATE RELEASE
September 12, 2011**

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

AND

**IN THE MATTER OF
ENERGY SYNDICATIONS INC.,
GREEN SYNDICATIONS INC.,
SYNDICATIONS CANADA INC.,
LAND SYNDICATIONS INC. AND
DOUGLAS CHADDOCK**

TORONTO – The Commission issued an Order which provides that,

1. The Temporary Order against Energy, Green, Syndications and Chaddock is extended until March 9, 2012 or until further order of the Commission;
2. The extension of the Temporary Order does not prohibit Green from engaging in the sale of goods provided that any sales agreement does not constitute an investment contract, as defined by Ontario securities law; and
3. The extension of the Temporary Order shall not affect the right of any respondent to apply to the Commission under section 144 of the Act to revoke or vary this order upon five days written notice to Staff of the Commission.

The hearing of this matter is adjourned to March 8, 2012 at 10:00 a.m. or on such other date or time as provided by the Secretary's Office and agreed to by the parties.

A copy of the Order dated September 8, 2011 is available at www.osc.gov.on.ca.

OFFICE OF THE SECRETARY
JOHN P. STEVENSON
SECRETARY

For media inquiries:
media_inquiries@osc.gov.on.ca

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

Carolyn Shaw-Rimmington
Manager, Public Affairs
416-593-2361

Dylan Rae
Media Relations Specialist
416-595-8934

For investor inquiries:

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

**1.4.7 Canadian Derivatives Clearing Corporation
and Sino-Forest Corporation et al.**

**FOR IMMEDIATE RELEASE
September 12, 2011**

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

AND

**IN THE MATTER OF
CANADIAN DERIVATIVES CLEARING CORPORATION**

AND

**IN THE MATTER OF
SINO-FOREST CORPORATION, ALLEN CHAN,
ALBERT IP, ALFRED C.T. HUNG, GEORGE HO
AND SIMON YEUNG**

TORONTO – The Office of the Secretary issued a Notice of Hearing to consider an Application of Canadian Derivatives Clearing Corporation pursuant to Section 144 of the *Securities Act*. The hearing will commence on September 14, 2011 at 8:30 a.m. in Hearing Room A.

A copy of the Notice of Hearing dated September 12, 2011 and the Application dated September 12, 2011 are available at www.osc.gov.on.ca.

OFFICE OF THE SECRETARY
JOHN P. STEVENSON
SECRETARY

For media inquiries:
media_inquiries@osc.gov.on.ca

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

Carolyn Shaw-Rimmington
Manager, Public Affairs
416-593-2361

Dylan Rae
Media Relations Specialist
416-595-8934

For investor inquiries:

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

1.4.8 Mark Allen Dennis

**FOR IMMEDIATE RELEASE
September 13, 2011**

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

AND

**IN THE MATTER OF
A DECISION OF A HEARING PANEL OF THE
INVESTMENT INDUSTRY REGULATORY
ORGANIZATION OF CANADA ("IIROC")
PURSUANT TO THE RULES OF THE
INVESTMENT DEALERS ASSOCIATION
OF CANADA ("IDA")**

AND

**IN THE MATTER OF
A DISCIPLINARY PROCEEDING BETWEEN
STAFF OF IIROC AND MARK ALLEN DENNIS**

TORONTO – The Ontario Securities Commission will hold a hearing to consider the Application made by Staff of IIROC for a review of a Decision of a Hearing Panel of the IIROC dated June 3, 2011.

The hearing will be held on November 21, 2011 at 10:00 a.m. on the 17th floor of the Commission's offices located at 20 Queen Street West, Toronto.

A copy of the Application For a Hearing and Review dated June 30, 2011 is available at www.osc.gov.on.ca.

OFFICE OF THE SECRETARY
JOHN P. STEVENSON
SECRETARY

For media inquiries:
media_inquiries@osc.gov.on.ca

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

Carolyn Shaw-Rimmington
Manager, Public Affairs
416-593-2361

Dylan Rae
Media Relations Specialist
416-595-8934

For investor inquiries:

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

1.4.9 Ian Overton

**FOR IMMEDIATE RELEASE
September 13, 2011**

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

AND

**IN THE MATTER OF
IAN OVERTON**

TORONTO – Take notice that the hearing in the above named matter scheduled to be heard on September 14, 2011 at 4:30 p.m. will be heard on September 14, 2011 at 4:00 p.m.

OFFICE OF THE SECRETARY
JOHN P. STEVENSON
SECRETARY

For media inquiries:
media_inquiries@osc.gov.on.ca

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

Carolyn Shaw-Rimmington
Manager, Public Affairs
416-593-2361

Dylan Rae
Media Relations Specialist
416-595-8934

For investor inquiries:

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

1.4.10 Anthony Ianno and Saverio Manzo

**FOR IMMEDIATE RELEASE
September 13, 2011**

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

AND

**IN THE MATTER OF
ANTHONY IANNO AND SAVERIO MANZO**

AND

**IN THE MATTER OF
SETTLEMENT AGREEMENT BETWEEN STAFF OF
THE ONTARIO SECURITIES COMMISSION AND
SAVERIO MANZO**

TORONTO – Take notice that a hearing to consider whether it is in the public interest to approve a settlement agreement entered into by Staff of the Commission and Saverio Manzo will be held on September 14, 2011 at 11:00 a.m. in Hearing Room B on the 17th floor of the Commission's offices located at 20 Queen Street West, Toronto.

OFFICE OF THE SECRETARY
JOHN P. STEVENSON
SECRETARY

For media inquiries:
media_inquiries@osc.gov.on.ca

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

Carolyn Shaw-Rimmington
Manager, Public Affairs
416-593-2361

Dylan Rae
Media Relations Specialist
416-595-8934

For investor inquiries:

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

Chapter 2

Decisions, Orders and Rulings

2.1 Decisions

2.1.1 Canadian Imperial Bank of Commerce and CIBC Precious Metals Fund

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – exemption granted to a mutual fund to use ETFs and specified derivatives to gain up to 10% exposure to silver, platinum or palladium consistent with existing relief previously granted to the fund – relief permits fund to do indirectly what it may currently do directly – the fund will not invest in leveraged ETFs or inverse ETFs.

Applicable Legislative Provisions

National Instrument 81-102 Mutual Funds, ss. 2.3(h), 2.5(2)(a), 2.5(2)(c), 19.1.

August 24, 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
CANADIAN IMPERIAL BANK OF COMMERCE (CIBC)
(the Manger)

AND

CIBC PRECIOUS METALS FUND
(the Fund)

DECISION

Background

The principal regulator in the Jurisdiction has received an application from the Manager for a decision 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 following provisions of NI 81-102:

- (a) Clause 2.3(e) of NI 81-102 to permit the Fund to invest more than 10% of its net assets, taken at the market value at the time of the purchase, directly or indirectly in gold and/or permitted gold certificates (as such term is defined in NI 81-102) including through investments in derivatives which have an underlying interest in gold;
- (b) Clause 2.3(h) of NI 81-102 to permit the Fund to invest indirectly in silver, platinum and palladium, including through derivatives which have an underlying interest in silver, platinum and palladium; and
- (c) Clause 2.5(2)(a) and (c) of NI 81-102 to permit the Fund to invest in exchange-traded funds traded on a stock exchange in Canada or the United States, the underlying interest of which is gold, silver, platinum or palladium (**Underlying ETFs**)

(collectively the **Exemption Sought**).

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

- (a) the Ontario Securities Commission is the principal regulator for this application; and
- (b) the Manager has provided notice that section 4.7(1) of Multilateral Instrument 11-102 *Passport System* (**MI 11-102**) is intended to be relied upon in all of the provinces and territories of Canada (other than the Jurisdiction).

Interpretation

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

Representations

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

The Manager and the Fund

1. CIBC is a Canadian chartered bank and has its head office located in Toronto, Ontario.
2. The Fund is managed by the Manager.
3. The Fund is (a) an open-ended mutual fund established under the laws of the Jurisdiction, (b) a reporting issuer under the laws of all of the provinces and territories of Canada, and (c) governed by the provisions of NI 81-102.

4. Securities of the Fund are qualified for distribution in all of the provinces and territories of Canada under a simplified prospectus and annual information form filed with the securities regulators in the applicable jurisdictions.
5. Neither the Manager nor the Fund is in default of securities legislation in any of the provinces and territories of Canada.
6. The Fund is a precious metals fund. The Fund's investment objectives and investment strategies are designed to offer investors an opportunity to obtain exposure to precious metals.
7. The Fund currently has relief to invest directly in certain physical commodities such as precious metals including gold, silver, platinum and palladium. However, the Fund would like to be able to invest indirectly in gold, silver, platinum and palladium through Underlying ETFs and specified derivatives.

Investment in Gold

8. The Manager submits that there are no liquidity concerns with permitting the Fund to invest directly or indirectly in gold beyond the limits of NI 81-102, since the market for gold is highly liquid

Investment in Silver, Platinum and Palladium

9. Similar to the market for gold, the Manager submits that the markets for silver, platinum and palladium are also highly liquid, and there are no liquidity concerns with permitting the Fund to invest in these precious metals.

Investment in IPUs and the Underlying ETFs

10. To fulfill its investment objectives, the Fund requires the ability to invest, directly and indirectly, in instruments which provide an exposure to gold, silver, platinum and palladium.
11. The Fund is permitted, in accordance with its investment objective and/or investment strategies, to invest in exchange-traded funds (**ETFs**). In addition to ETFs that qualify as index participation units (**IPUs**) as defined in NI 81-102, the Manager would like the Fund to be able to invest in the following:
 - (a) ETFs that hold gold, permitted gold certificates or specified derivatives of which the underlying interest is gold or permitted gold certificates (**Gold ETFs**). Gold ETFs invest in a manner to replicate, before fees and expenses, the price of gold on an unlevered basis;
 - (b) ETFs that hold silver, silver certificates or specified derivatives of which the

underlying interest is silver (**Silver ETFs**). Silver ETFs invest in a manner to replicate, before fees and expenses, the price of silver on an unlevered basis;

- (c) ETFs that hold platinum, platinum certificates or specified derivatives of which the underlying interest is platinum (**Platinum ETFs**). Platinum ETFs invest in a manner to replicate, before fees and expenses, the price of platinum on an unlevered basis; and
- (d) ETFs that hold palladium, palladium certificates or specified derivatives of which the underlying interest is palladium (**Palladium ETFs**). Palladium ETFs invest in a manner to replicate, before fees and expenses, the price of palladium on an unlevered basis.

12. Securities of the Underlying ETF trade on a stock exchange in Canada or the United States.
13. The Underlying ETFs are attractive investments for the Fund, as they provide an efficient and cost effective means of achieving diversification and exposure while eliminating various risks because the Underlying ETFs are a pure play on their respective commodity.
14. Permitting the Fund to invest in the Underlying ETFs, will provide the portfolio manager additional flexibility to increase gains for the Fund in certain market conditions, which may have otherwise caused the Fund to have significant cash positions and therefore deter from its ability to achieve its investment objective.
15. CIBC is not currently related to any Underlying ETF, is not the manager of an Underlying ETF and does not currently expect to be so related in the near future.
16. An investment by the Fund in securities of an Underlying ETF will represent the business judgment of responsible persons uninfluenced by considerations other than the best interests of the Fund.
17. The Fund will not invest in leveraged Underlying ETFs or inverse Underlying ETFs.

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:

1. the investment by the Fund in an Underlying ETF is in accordance with the fundamental investment objectives of the Fund;
2. no more than 20% of the Fund's net assets, taken at market value at the time of investment, is invested directly and indirectly in silver, platinum and palladium in the aggregate (including through Underlying ETFs and underlying market exposure of specified derivatives);
3. no more than 10% of a Fund's net assets, taken at market value at the time of investment, is invested in any one of silver, platinum or palladium (including through Underlying ETFs and underlying market exposure of specified derivatives);
4. a Fund does not short sell securities of an Underlying ETF;
5. the securities of the Underlying ETFs are traded on a stock exchange in Canada or the United States;
6. the securities of the Underlying ETFs are treated as specified derivatives for the purpose of Part 2 of NI 81-102; and
7. the simplified prospectus of the Fund discloses, or will disclose the next time it is renewed after the date hereof, that the Fund (i) may invest in the Underlying ETFs and (ii) to the extent applicable, the risks associated with such an investment.

"Raymond Chan"
Manager, Investment Funds Branch
Ontario Securities Commission

2.1.2 Canadian Imperial Bank of Commerce and CIBC Canadian Resources Fund

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – exemption granted to a mutual fund to use ETFs and specified derivatives to gain up to 10% exposure to silver, platinum or palladium consistent with existing relief previously granted to the fund – relief permits fund to do indirectly what it may currently do directly – the fund will not invest in leveraged ETFs or inverse ETFs.

Applicable Legislative Provisions

National Instrument 81-102 Mutual Funds, ss. 2.3(h), 2.5(2)(a), 2.5(2)(c) 19.1.

August 24, 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
CANADIAN IMPERIAL BANK OF COMMERCE (CIBC)
(the Manger)**

AND

**CIBC CANADIAN RESOURCES FUND
(the Fund)**

DECISION

Background

The principal regulator in the Jurisdiction has received an application from the Manager for a decision 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 following provisions of NI 81-102:

- (a) Clause 2.3(h) of NI 81-102 to permit the Fund to invest indirectly in silver, platinum and palladium, including through derivatives which have an underlying interest in silver, platinum and palladium; and
- (b) Clause 2.5(2)(a) and (c) of NI 81-102 to permit the Fund to invest in exchange-traded funds traded on a stock exchange in Canada or the United States,

the underlying interest of which is gold, silver, platinum or palladium (**Underlying ETFs**)

(collectively the **Exemption Sought**).

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

- (a) the Ontario Securities Commission is the principal regulator for this application; and
- (b) the Manager has provided notice that section 4.7(1) of Multilateral Instrument 11-102 *Passport System* (**MI 11-102**) is intended to be relied upon in all of the provinces and territories of Canada (other than the Jurisdiction).

Interpretation

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

Representations

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

The Manager and the Fund

- 1. CIBC is a Canadian chartered bank and has its head office located in Toronto, Ontario.
- 2. The Fund is managed by the Manager.
- 3. The Fund is (a) an open-ended mutual fund established under the laws of the Jurisdiction, (b) a reporting issuer under the laws of all of the provinces and territories of Canada, and (c) governed by the provisions of NI 81-102.
- 4. Securities of the Fund are qualified for distribution in all of the provinces and territories of Canada under a simplified prospectus and annual information form filed with the securities regulators in the applicable jurisdictions.
- 5. Neither the Manager nor the Fund is in default of securities legislation in any of the provinces and territories of Canada.
- 6. The Fund currently has relief to invest up to 10% of its net assets in certain physical commodities including gold, silver, platinum and palladium. However, the Fund would like to be able to invest indirectly in gold, silver, platinum and palladium through Underlying ETFs and specified derivatives.
- 7. The Fund's investment objectives focus on the Canadian natural resources sector and are designed to offer investors exposure to that sector. The Fund's investment strategies state

that the Fund may invest up to 10% of its net assets directly in physical commodities such as precious metals.

Investment in Gold

- 8. The Manager submits that there are no liquidity concerns with permitting the Fund to invest directly or indirectly in gold beyond the limits of NI 81-102, since the market for gold is highly liquid

Investment in Silver, Platinum and Palladium

- 9. Similar to the market for gold, the Manager submits that the markets for silver, platinum and palladium are also highly liquid, and there are no liquidity concerns with permitting the Fund to invest in these precious metals.

Investment in IPU's and the Underlying ETFs

- 10. To fulfill its investment objectives, the Fund requires the ability to invest, directly and indirectly, in instruments which provide an exposure to gold, silver, platinum and palladium.
- 11. The Fund is permitted, in accordance with its investment objective and/or investment strategies, to invest in exchange-traded funds (**ETFs**). In addition to ETFs that qualify as index participation units (**IPUs**) as defined in NI 81-102, the Manager would like the Fund to be able to invest in the following:
 - (a) ETFs that hold gold, permitted gold certificates or specified derivatives of which the underlying interest is gold or permitted gold certificates (**Gold ETFs**). Gold ETFs invest in a manner to replicate, before fees and expenses, the price of gold on an unlevered basis;
 - (b) ETFs that hold silver, silver certificates or specified derivatives of which the underlying interest is silver (**Silver ETFs**). Silver ETFs invest in a manner to replicate, before fees and expenses, the price of silver on an unlevered basis;
 - (c) ETFs that hold platinum, platinum certificates or specified derivatives of which the underlying interest is platinum (**Platinum ETFs**). Platinum ETFs invest in a manner to replicate, before fees and expenses, the price of platinum on an unlevered basis; and
 - (d) ETFs that hold palladium, palladium certificates or specified derivatives of which the underlying interest is palladium (**Palladium ETFs**). Palladium ETFs invest in a manner to replicate, before

- fees and expenses, the price of palladium on an unlevered basis.
12. Securities of the Underlying ETF trade on a stock exchange in Canada or the United States.
 13. The Underlying ETFs are attractive investments for the Fund, as they provide an efficient and cost effective means of achieving diversification and exposure while eliminating various risks because the Underlying ETFs are a pure play on their respective commodity.
 14. Permitting the Fund to invest in the Underlying ETFs will provide the portfolio manager additional flexibility to increase gains for the Fund in certain market conditions, which may have otherwise caused the Fund to have significant cash positions and therefore deter from its ability to achieve its investment objective.
 15. CIBC is not currently related to any Underlying ETF, is not the manager of an Underlying ETF and does not currently expect to be so related in the near future.
 16. An investment by the Fund in securities of an Underlying ETF will represent the business judgment of responsible persons uninfluenced by considerations other than the best interests of the Fund.
 17. The Fund will not invest in leveraged Underlying ETFs or inverse Underlying ETFs.
5. the securities of the Underlying ETFs are treated as specified derivatives for the purpose of Part 2 of NI 81-102; and
 6. the prospectus of the Fund discloses, or will disclose the next time it is renewed after the date hereof, that the Fund (i) may invest in the Underlying ETFs and (ii) to the extent applicable, the risks associated with such an investment.

"Raymond Chan"
Manager, Investment Funds Branch
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 under the Legislation is that the Exemption Sought is granted provided that:

1. the investment by the Fund in an Underlying ETF is in accordance with the fundamental investment objectives of the Fund;
2. no more than 10% of the Fund's net assets, taken at market value at the time of investment, is invested directly and indirectly in physical commodities (including through Underlying ETFs and underlying market exposure of specified derivatives);
3. the Fund does not short sell securities of an Underlying ETF;
4. the securities of the Underlying ETFs are traded on a stock exchange in Canada or the United States;

2.1.3 Counsel Portfolio Services Inc.

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Relief granted from sections 2.3(f), 2.3(h), 2.5(2)(a) and 2.5(2)(c) of National Instrument 81-102 Mutual Funds to permit mutual funds to invest in silver and to invest up to 10% of net assets in leveraged ETFs, inverse ETFs, gold ETFs, silver ETFs, leveraged gold ETFs and leveraged silver ETFs traded on Canadian or US stock exchanges, subject to 10 % total exposure in gold and silver, and certain conditions.

Applicable Legislative Provisions

National Instrument 81-102 Mutual Funds, ss. 2.3(f), 2.3(h), 2.5(2)(a), 2.5(2)(c), 19.1.

September 7, 2011

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
COUNSEL PORTFOLIO SERVICES INC.
(“COUNSEL” or the “FILER”)

DECISION

BACKGROUND

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

1. an exemption (the **Silver Exemption**) relieving the existing and future mutual funds, managed by the Filer or an affiliate of the Filer, that are subject to National Instrument 81-102 *Mutual Funds* (**NI 81-102**) other than money market funds (the **Existing Funds** and the **Future Funds**, respectively, together, the **Funds** and individually, a **Fund**) from the prohibitions contained in paragraphs 2.3(f) and 2.3(h) of NI 81-102 to permit each Fund to
 - (a) purchase and hold silver,
 - (b) purchase and hold a certificate that represents silver that is:

- (i) available for delivery in Canada, free of charge, to or to the order of the holder of the certificate;
- (ii) of a minimum fineness of 999 parts per 1,000;
- (iii) held in Canada;
- (iv) in the form of either bars or wafers; and
- (v) if not purchased from a bank listed in Schedule I, II or III of the *Bank Act* (Canada), fully insured against loss and bankruptcy by an insurance company licensed under the laws of Canada or a province or territory of Canada,

(Permitted Silver Certificates)

- (c) purchase, sell or use a specified derivative, the underlying interest of which is silver or a specified derivative of which the underlying interest is silver on an unlevered basis

(**Silver Derivatives**, which together with silver and Permitted Silver Certificates is hereinafter referred to as **Silver**),

2. an exemption (the **ETF Exemption**) relieving the Funds from the prohibitions contained in paragraphs 2.3(h), 2.5(2)(a) and 2.5(2)(c) of NI 81-102, to permit each Fund to purchase and hold securities of
 - (a) exchange-traded funds (**ETFs**) that seek to provide daily results that replicate the daily performance of a specified widely-quoted market index (the **ETF's Underlying Index**) by a multiple of up to 200% (**Leveraged Bull ETFs**) or an inverse multiple of up to 200% (**Leveraged Bear ETFs**, which together with Leveraged Bull ETFs are referred to collectively in this decision as **Leveraged ETFs**);
 - (b) ETFs that seek to provide daily results that replicate the daily performance of their Underlying Index by an inverse multiple of up to 100% (**Inverse ETFs**);
 - (c) ETFs that seek to replicate the performance of gold or silver or the value of a specified derivative the underlying interest of which is gold or silver on an unlevered basis; and

- (d) ETFs that seek to provide daily results that replicate the daily performance of gold or silver or the value of a specified derivative the underlying interest of which is gold or silver on an unlevered basis (the ETF's **Underlying Gold or Silver Interest**), by a multiple of up to 200% (**Leveraged Gold ETFs** and **Leveraged Silver ETFs**, respectively),

(the ETFs referred to in paragraph 2.(c) above, Leveraged Gold ETFs and Leveraged Silver ETFs are referred to collectively in this decision as the **Gold and Silver ETFs**, which together with Leveraged ETFs and Inverse ETFs are referred to collectively in this decision as the **Underlying ETFs**).

3. revocation of the decision document granted by the principal regulator on February 24, 2009 (the **Previous Decision**) insofar as the Previous Decision applied to the Filer and the Funds (the **Revocation Relief**).

The Silver Exemption, the ETF Exemption, and the Revocation Relief are collectively, the **Exemption Sought**.

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

1. the Ontario Securities Commission is the principal regulator for this application; and
2. the Filer has provided notice that section 4.7(1) of Multilateral Instrument 11-102 *Passport System* (**MI 11-102**) is intended to be relied upon in British Columbia, Alberta, Saskatchewan, Manitoba, Quebec, New Brunswick, Nova Scotia, Prince Edward Island, Newfoundland and Labrador, Northwest Territories, Yukon Territories and Nunavut (collectively with the Jurisdiction, the **Jurisdictions**).

INTERPRETATION

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

REPRESENTATIONS

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

The Filer and the Funds

1. Counsel is a corporation governed by the laws of Ontario and is registered as a Portfolio Manager and Exempt Market Dealer in each Canadian jurisdiction except for Quebec and has applied for registration in Ontario as an investment fund manager.

2. Counsel or an affiliate of Counsel is the manager of each of the Existing Funds and will be the manager of each of the Future Funds. Counsel or an affiliate of Counsel is the portfolio manager of, or has appointed a sub-adviser for, each of the Existing Funds, and will be the portfolio manager of, or will appoint a sub-adviser for, each of the Future Funds.
3. Each Existing Fund is, and each Future Fund will be: (a) an open-end mutual fund established under the laws of Canada or a Jurisdiction, (b) a reporting issuer under the laws of some or all of the Jurisdictions, and (c) governed by the provisions of NI 81-102.
4. Securities of each Existing Fund are, and securities of each Future Fund will be qualified for distribution in some or all of the Jurisdictions under a simplified prospectus and annual information form prepared in accordance with National Instrument 81-101 – *Mutual Fund Prospectus Disclosure* ("**NI 81-101**") and filed with and receipted by the securities regulators in the applicable Jurisdictions.
5. Neither Counsel nor any of the Funds of which Counsel is currently the manager is in default of securities legislation in the Jurisdictions.

Investments in Gold and Silver

6. In addition to investing in gold, the Funds propose to have the ability to invest in Silver.
7. To obtain exposure to gold or silver indirectly, the Filers intend to use specified derivatives the underlying interest of which is gold or silver and invest in the Gold and Silver ETFs (which together with gold, silver, permitted gold certificates and Permitted Silver Certificates are referred to collectively in this decision as **Gold and Silver Products**).
8. NI 81-102 allows mutual funds to purchase gold or permitted gold certificates or enter into a specified derivative the underlying interest of which is gold, in its recognition that gold is a fairly liquid commodity. The Filer is requesting a similar investment flexibility that would permit a Fund to make investments in silver, based on the same rationale applied for gold and its liquidity.
9. The Filer believes that the markets in gold and silver are highly liquid, and there are no liquidity concerns with permitting a Fund to invest in Gold and Silver Products.
10. Permitting a Fund to invest in Gold and Silver Products will provide the portfolio manager additional flexibility to increase gains for the Fund in certain market conditions which may have otherwise caused the Fund to have significant

cash positions and therefore deter from its ability to achieve its investment objective.

11. If the investment in Gold and Silver Products represents a material change for any Existing Fund, the Filers will comply with the material change reporting obligations for that Fund.
12. Any investment by a Fund in Silver will be made in compliance with the custodian requirements in Part 6 of NI 81-102.

The Underlying ETFs

13. Each Leveraged ETF will be rebalanced daily to ensure that its performance and exposure to its Underlying Index will not exceed +/-200% of the corresponding daily performance of its Underlying Index.
14. Each Inverse ETF will be rebalanced daily to ensure that its performance and exposure to its Underlying Index will not exceed -100% of the corresponding daily performance of its Underlying Index.
15. Each Leveraged Gold ETF and Leveraged Silver ETF will be rebalanced daily to ensure that its performance and exposure to its Underlying Gold or Silver Interest will not exceed +200% of the corresponding daily performance of its Underlying Gold or Silver Interest.
16. In addition to investing in securities of ETFs that are "index participation units" as defined in NI 81-102 (IPUs), the Funds propose to have the ability to invest in the Underlying ETFs, whose securities are not IPUs.
17. The amount of the loss that can result from an investment by a Fund in an Underlying ETF will be limited to the amount invested by the Fund in securities of the Underlying ETF.

Investment in IPUs, the Underlying ETFs and Silver

18. Each Existing Fund is, and each Future Fund will be, permitted, in accordance with its investment objectives and investment strategies, to invest in Underlying ETFs and Silver.
19. The Underlying ETFs and Silver are attractive investments for the Funds as they provide an efficient and cost effective means of achieving diversification in addition to any investment in gold.
20. But for the Silver Exemption, paragraph 2.3(f) of NI 81-102 would prohibit a Fund from purchasing Silver.

21. But for the Silver Exemption, paragraph 2.3(h) of NI 81-102 would prohibit a Fund from entering into Silver Derivatives.
22. But for the ETF Exemption, paragraph 2.3(h) of NI 81-102 would prohibit a Fund from purchasing a Silver ETF or a Leveraged Silver ETF.
23. But for the ETF Exemption, paragraph 2.5(2)(a) of NI 81-102 would prohibit a Fund from purchasing or holding a security of an Underlying ETF, because the Underlying ETFs are not subject to both NI 81-102 and NI 81-101.
24. But for the ETF Exemption, paragraph 2.5(2)(c) of NI 81-102 would prohibit a Fund from purchasing or holding securities of some Underlying ETFs, because some Underlying ETFs will not be qualified for distribution in the local jurisdiction.
25. An investment by a Fund in securities of an Underlying ETF and/or Silver will represent the business judgment of responsible persons uninfluenced by considerations other than the best interests of the Fund.
26. The simplified prospectus of each Fund discloses, or will disclose the next time it is renewed after the date hereof, (i) in the Investment Strategy section of the prospectus, the fact that the Fund has obtained relief to invest in the Underlying ETFs and Silver, together with an explanation of what each Underlying ETF is, and (ii) the risks associated with investments in the Underlying ETFs and Silver.

DECISION

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

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

- (a) the investment by a Fund in securities of an Underlying ETF and/or Silver is in accordance with the fundamental investment objectives of the Fund;
- (b) the Fund does not sell short securities of an Underlying ETF;
- (c) the securities of the Underlying ETFs are traded on a stock exchange in Canada or the United States;
- (d) the securities of the Underlying ETFs are treated as specified derivatives for the purposes of Part 2 of NI 81-102;
- (e) a Fund does not purchase securities of an Underlying ETF if, immediately after

- the purchase, more than 10% of the net assets of the Fund in aggregate, taken at market value at the time of the purchase, would consist of securities of Underlying ETFs;
- (f) a Fund does not enter into any transaction if immediately after the transaction, more than 20% of the net assets of the Fund, taken at market value at the time of the transaction, would consist of, in aggregate, securities of Underlying ETFs and all securities sold short by the Fund;
- (g) a Fund does not purchase Gold and Silver Products if, immediately after the transaction, more than 10% of the net assets of the Fund, taken at market value at the time of the transaction, would consist of Gold and Silver Products;
- (h) a Fund does not purchase Gold and Silver Products if, immediately after the transaction, the market value exposure to gold or silver through the Gold and Silver Products is more than 10% of the net assets of the Fund, taken at market value at the time of the transaction.

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

2.1.4 RBC Global Asset Management Inc. et al.

Headnote

NP 11-203 – Exemptive relief granted to ETF offered in continuous distribution from certain mutual fund requirements and restrictions on: transmission of purchase or redemption orders, issuing units for cash or securities, calculation and payment of redemptions, date of record for payment of distributions, and borrowing from custodian and, if necessary, provision of a security interest to the custodian to fund distributions payable under the fund's distribution policy – National Instrument 81-102 Mutual Funds.

Applicable Legislative Provisions

National Instrument 81-102 Mutual Funds, ss. 2.6(a), 9.1, 9.4(2), 10.2, 10.3, 14.1, 19.1

September 1, 2011

**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
RBC GLOBAL ASSET MANAGEMENT INC.
(the Filer or RBC GAM)**

AND

**RBC TARGET 2013 CORPORATE BOND ETF
RBC TARGET 2014 CORPORATE BOND ETF
RBC TARGET 2015 CORPORATE BOND ETF
RBC TARGET 2016 CORPORATE BOND ETF
RBC TARGET 2017 CORPORATE BOND ETF
RBC TARGET 2018 CORPORATE BOND ETF
RBC TARGET 2019 CORPORATE BOND ETF
RBC TARGET 2020 CORPORATE BOND ETF
(the Existing Funds)**

DECISION

Background

The principal regulator in the Jurisdiction has received an application from the Filer on behalf of the Existing Funds and such other exchange-traded funds as the Filer, or an affiliate of the Filer, may establish in the future (together with the Existing Funds, the **Funds**) for a decision (the **Exemption Sought**) under the securities legislation of the Jurisdiction of the principal regulator (the **Legislation**) for

an exemption from the following provisions of National Instrument 81-102 – *Mutual Funds* (**NI 81-102**):

- (a) Sections 9.1 and 10.2 to permit purchases and sales of units (**Units**) of the Funds on the Toronto Stock Exchange (**TSX**), instead of through order receipt offices.
- (b) Section 9.4(2) to permit the Funds to accept a combination of cash and securities as subscription proceeds for Units.
- (c) Section 10.3 to permit the Funds to redeem less than the Prescribed Number of Units (as defined below) at 95% of their net asset value on the date of redemption.
- (d) Section 14.1 to permit the Funds to establish a record date for distributions in accordance with the rules of the TSX.
- (e) Section 2.6(a) to permit those Funds that have an investment objective to replicate, to the extent possible, the performance of a specified index (the “**Index**”, and such Funds, the “**Index Funds**”) to borrow cash from the custodian of the Fund (the “**Custodian**”) and, if required by the Custodian, to provide a security interest over any of its portfolio assets as a temporary measure to fund the portion of any distributions payable to Unitholders (as defined below) that represent amounts that are owing to but have not yet been received by the Index Fund.

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

- (a) the Ontario Securities Commission (OSC) 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* is intended to be relied upon in all of the provinces and territories of Canada other than Ontario (together with Ontario, the **Jurisdictions**).

Interpretation

Basket of Securities means, in relation to a Fund, a group of securities determined by RBC GAM from time to time for the purpose of subscription orders, exchanges, redemptions or for other purposes.

Designated Brokers means registered brokers and dealers that enter into agreements with the Funds to perform certain duties in relation to the Funds and **Designated Broker** means any one of them.

Prescribed Number of Units means, in relation to a Fund, the number of Units of the Fund determined by RBC GAM from time to time for the purpose of subscription orders, exchanges, redemptions or for such other purposes as RBC GAM may determine.

Underwriters means registered brokers and dealers that have entered into underwriting agreements with the Funds and that subscribe for and purchase Units from the Funds, and **Underwriter** means any one of them.

Unitholders means beneficial and registered holders of Units.

Terms defined in National Instrument 14-101 – *Definitions* (**NI 41-101**) or in NI 81-102 have the same meaning in this decision as in NI 41-101 or NI 81-102. Certain other defined terms have the meanings given to them below under Representations.

Representations

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

- (a) The Filer is a corporation organized under the federal laws of Canada, with a head office in Ontario.
- (b) Each Fund is, or will be, a mutual fund governed by the laws of the Province of Ontario and a reporting issuer under the laws of all of the Jurisdictions.
- (c) Each Fund is, or will be, subject to NI 81-102, subject to any exemptions therefrom that may be granted by securities regulatory authorities.
- (d) Units of each Fund will be listed on the TSX or another stock exchange recognized by the OSC. RBC GAM has applied to list the Units of each of the Existing Funds on the TSX.
- (e) RBC GAM or its affiliate will act as trustee, investment fund manager and portfolio adviser to the Funds. RBC GAM is registered as an adviser in the category of portfolio manager and as a dealer in the category of exempt market dealer under the securities legislation of each of the Jurisdictions and is registered under the OSA as an investment fund manager.
- (f) RBC GAM is an indirect, wholly-owned subsidiary of the Royal Bank of Canada.
- (g) Units may only be subscribed for or purchased directly from the Funds by Underwriters or Designated Brokers and orders may only be placed for Units in the Prescribed Number of Units (or an integral multiple thereof) on any day when there is a trading session on the TSX.
- (h) The Funds will appoint Designated Brokers to perform certain functions, which include standing in the market with a bid and ask price for Units of each Fund for the purpose of maintaining liquidity for the Units.

- | | |
|--|---|
| <p>(i) Each Underwriter or Designated Broker that subscribes for Units must deliver, in respect of each Prescribed Number of Units to be issued, a Basket of Securities and cash in an amount sufficient so that the value of the Basket of Securities and cash delivered is equal to the net asset value of the Units subscribed for next determined following the receipt of the subscription order. In the discretion of RBC GAM, the Funds may also accept cash only subscriptions for Units in an amount equal to the net asset value of the Units subscribed for next determined following the receipt of the subscription order.</p> <p>(j) All subscriptions and redemptions for Units may be submitted on any day on which there is a trading session on the TSX and will settle by the third day after that date.</p> <p>(k) The net asset value per Unit of each Fund will be calculated and published by RBC GAM on any day when there is a trading session of the TSX and will be made available at www.rbcgam.com/etfs.</p> <p>(l) Neither the Underwriters nor the Designated Brokers will receive any fees or commissions in connection with the issuance of Units to them. RBC GAM may, at its discretion, charge an administration fee on the issuance of Units to the Designated Brokers or Underwriters.</p> <p>(m) Except as described above, Units may not be purchased directly from the Funds. Investors are generally expected to purchase Units through the facilities of the TSX. However, Units may be issued directly to Unitholders upon the reinvestment of distributions of income or capital gains.</p> <p>(n) Unitholders that wish to dispose of their Units may generally do so by selling their Units on the TSX, through a registered broker or dealer, subject only to customary brokerage commissions. A Unitholder that holds a Prescribed Number of Units or an integral multiple thereof of a Fund may exchange such Units with the Fund for Baskets of Securities and cash. Unitholders may also redeem their Units directly from the Funds for cash at a redemption price equal to 95% of the net asset value of the Units on the date of redemption.</p> <p>(o) As trustee, investment fund manager and portfolio adviser to the Funds, RBC GAM will be entitled to receive a management fee from each Fund. Such annual fee is calculated as a fixed percentage of the net asset value of each Fund. As investment fund manager, RBC GAM is responsible for all costs and expenses of the Funds except the fees and expenses payable by the Funds, which are the management fee, fees and expenses incurred in complying with National Instrument 81-107</p> | <p><i>Independent Review Committee for Investment Funds</i>, including the fees payable and expenses reimbursed to members of the Board of Governors, brokerage expenses and commissions, income tax, GST, HST, withholding and other taxes, the costs of complying with any new governmental or regulatory requirement introduced after the Fund was established and extraordinary expenses.</p> <p>(p) Unitholders of a Fund will have the right to vote at a meeting of Unitholders of the Fund prior to: any change in the fundamental investment objectives of the Fund; any change to their voting rights; the introduction of a fee or expenses to be charged to the Fund or to Unitholders; a change in the basis of the calculation of a fee or expenses charged to the Fund or Unitholders where such change could result in an increase in the amount of fees or expenses payable by the Fund or Unitholders; and in certain other circumstances as described in the Preliminary Prospectus.</p> <p>(q) Each of the Index Funds has, or will have, an investment objective to replicate, to the extent possible, the performance of an Index, net of expenses. In meeting its investment objective, an Index Fund holds, or will hold, the securities of the constituent issuers of the applicable Index (the Constituent Issuers).</p> <p>(r) Each of the Index Funds has, or will have, a distribution policy (the Distribution Policy) that requires that the net income and net realized capital gains of the Index Fund for a taxation year will be due and payable on the last trading day of such taxation year or on such other day as is permitted under the <i>Income Tax Act</i> (Canada) (the Tax Act) and that permits the distribution of net income and net realized capital gains on other trading days.</p> <p>(s) The intention of the Distribution Policy is that an Index Fund will distribute sufficient net income and net realized capital gains so that it will not be liable to pay income tax under Part I of the Tax Act.</p> <p>(t) Amounts included in the calculation of net income and net realized capital gains of an Index Fund for a taxation year that must be distributed in accordance with the Distribution Policy sometimes include amounts that are owing to but have not actually been received by the Index Fund from the Constituent Issuers.</p> <p>(u) While it is possible for an Index Fund to maintain a portion of its assets in cash or to dispose of securities in order to obtain any cash necessary to make a distribution in accordance with the Distribution Policy, maintaining such a cash position or making such a disposition (which would generally be followed, when the cash is</p> |
|--|---|

actually received from the Constituent Issuers, by an acquisition of the same securities) impacts the Index Fund's ability to achieve its investment objective of replicating the performance of the Index. Maintaining assets in cash or disposing of securities means that a portion of the net asset value of the Index Fund is not invested on a basis that replicates the Index. Further, any transaction costs reduce the amount available to invest in the Index. Both of these result in some error in replicating the performance of the Index (referred to as **tracking error**).

- (v) RBC GAM is of the view that it is in the interests of an Index Fund to have the ability to borrow cash from the Custodian and, if required by the Custodian, provide a security interest over its portfolio assets as a temporary measure to fund the portion of any distributions payable to Unitholders that represents amounts that are owing to but have not yet been received by the Index Fund from the Constituent Issuers. While such borrowing will have a cost, RBC GAM expects that it will reduce the tracking error that results from using the alternatives set out in paragraph (u).

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 such that the Funds are exempt from the following provisions of NI 81-102:

1. Sections 9.1 and 10.2 – to enable the purchase and sale of Units of the Funds on the TSX, which precludes the transmission of purchase or redemption orders to the order receipt offices of the Funds;
2. Section 9.4(2) – to permit payment for the issuance of Units of the Funds to be made partially in cash and partially in securities, provided that the acceptance of securities as payment is made in accordance with Section 9.4(2)(b);
3. Section 10.3 – to permit the redemption of less than the Prescribed Number of Units of the Funds at a price equal to 95% of the net asset value of the Units on the date of redemption;
4. Section 14.1 – to relieve the Funds from the requirement relating to the record date for the payment of distributions, provided that the Funds comply with applicable TSX requirements; and
5. Section 2.6(a) – to permit an Index Fund to borrow cash from the Custodian of the Index Fund and, if

required by the Custodian, to provide a security interest over any of its portfolio assets, provided that:

- (a) the borrowing by an Index Fund in respect of a distribution does not exceed the portion of the distribution that represents amounts that are payable to the Index Fund but have not been received by the Index Fund from the Constituent Issuers and, in any event, does not exceed five percent of the net assets of the Index Fund;
- (b) the borrowing is not for a period longer than 45 days;
- (c) any security interest in respect of the borrowing is consistent with industry practice for the type of borrowing and is only in respect of amounts owing as a result of the borrowing;
- (d) an Index Fund shall not make any distribution to Unitholders where the distribution would impair the Index Fund's ability to repay any borrowing to fund distributions; and
- (e) the prospectus of the Index Funds discloses the potential borrowing, the purpose of the borrowing, the material terms of any loan agreement regarding the borrowing and the risks associated with the borrowing.

The Exemption Sought shall terminate upon the coming into force of any legislation or rule of the principal regulator dealing with the matters referred to in subsections 9.1, 9.4(2), 10.2, 10.3, and 14.1 of NI 81-102.

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

2.1.5 The Forzani Group Ltd. – s. 1(10)

Headnote

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

Applicable Legislative Provisions

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

Citation: The Forzani Group Ltd., Re, 2011 ABASC 472

September 8, 2011

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

Attention: Colin Ritchie

Dear Sir:

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

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

As the Applicant has represented to the Decision Makers that:

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

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

"Blaine Young"
Associate Director, Corporate Finance

2.1.6 Mackenzie Financial Corporation and Counsel Portfolio Services Inc.

Headnote

NP 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – mutual fund manager granted exemption to replace earlier relief which expired as a result of sunset clause – exemption allows mutual fund manager to pay a participating dealer direct costs incurred relating to a sales communication, investor conference or investor seminar prepared or presented by the participating dealer which has a primary purpose of providing educational information concerning tax or estate planning matters – exemption will also permit a participating dealer to solicit and accept payments of direct costs relating to such sales communications, investor conferences or investor seminars in accordance with subsection 2.2(2) of NI 81-105 – initial sunset clause will continue to apply to new applicants seeking similar exemptive relief

Applicable Legislative Provisions

National Instrument 81-105 Mutual Fund Sales Practices, ss. 5.1(a), 9.1.

August 9, 2011

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

AND

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

AND

IN THE MATTER OF
MACKENZIE FINANCIAL CORPORATION
("Mackenzie")

AND

COUNSEL PORTFOLIO SERVICES INC.
("Counsel") (together, the "Filers")

DECISION

Background

The principal regulator in the Jurisdiction has received an application from the Filers for a decision under the securities legislation of the Jurisdiction of the principal regulator (the **Legislation**) for relief from subsection 5.1(a) of National Instrument 81-105 *Mutual Fund Sales Practices* (**NI 81-105**) to permit the Filers to pay to a participating dealer direct costs incurred by the participating dealer relating to a sales communication, investor conference or investor seminar prepared or presented by the participating

dealer (each individually referred to as a **Cooperative Marketing Initiative** and collectively as **Cooperative Marketing Initiatives**) if the primary purpose of the Cooperative Marketing Initiative is to provide educational information concerning tax or estate planning matters (the **Exemption Sought**).

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

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

Interpretation

Defined terms contained in National Instrument 14-101 *Definitions*, MI 11-102 and NI 81-105 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 Filers:

1. Mackenzie is a corporation organized under the laws of the Province of Ontario with its head office based in Toronto, Ontario.
2. Counsel is a corporation organized under the laws of the Province of Ontario with its head office based in Mississauga, Ontario.
3. Mackenzie is an indirect wholly-owned subsidiary of IGM Financial Inc. (**IGM**). Counsel is an indirect wholly-owned subsidiary of Investment Planning Counsel Inc. (**IPCI**), and IPCI is majority owned by IGM. Mackenzie and Counsel are affiliates of each other as each of them is an indirect subsidiary of IGM.
4. Mackenzie manages a number of retail mutual funds (the **Mackenzie Funds**) that are qualified for distribution to investors in each of the provinces and territories of Canada (the **Jurisdictions**).
5. Counsel manages a number of retail mutual funds (the **Counsel Funds**, and together with the Mackenzie Funds, the **Funds**) that are qualified for distribution to investors in the Jurisdictions (except for the Province of Quebec).

6. Each of Mackenzie and Counsel is a "member of the organization" (as that term is defined in NI 81-105) of the Funds as each is the manager of the Mackenzie Funds and the Counsel Funds, respectively.
 7. The Funds are distributed by participating dealers that are not related to the Filers and by participating dealers that are affiliates of the Filers (the **Affiliated Dealers**).
 8. The Affiliated Dealers include: Investors Group Securities Inc., M.R.S Securities Services Inc. and IPC Securities Corporation (each an investment dealer) and IPC Investment Corporation, Investors Group Financial Services Inc., M.R.S. Inc. and M.R.S. Correspondent Corporation (each a mutual fund dealer). The Affiliated Dealers are affiliates of the Filers as they are also indirect subsidiaries of IGM. The Affiliated Dealers may hold, sell, and/or recommend securities of the Funds in their capacity as participating dealers of the Funds.
 9. The Filers and other "members of the organization" (as that term is defined in NI 81-105) of the Funds do not encourage the Affiliated Dealers and their representatives to recommend the Funds over unrelated mutual funds.
 10. The Filers comply with NI 81-105, in particular Part 5 of NI 81-105, in respect of their marketing and educational practices. Other than as permitted by NI 81-105, the Filers do not provide any participating dealers and their representatives with any incentive for recommending the Funds to investors.
 11. Under subsection 5.1(a) of NI 81-105, the Filers are currently permitted to pay a participating dealer direct costs incurred by the participating dealer relating to a Cooperative Marketing Initiative if the primary purpose of the Cooperative Marketing Initiative is to promote, or provide educational information concerning, a mutual fund, the mutual fund family of which the mutual fund is a member, or mutual funds generally.
 12. Under subsection 5.2(a) of NI 81-105, the Filers are permitted to sponsor events attended by representatives of participating dealers which have the provision of educational information about, among other things, financial planning, investing in securities or mutual fund industry matters as their primary purpose.
 13. Subsection 5.1(a) prohibits the Filers from paying to a participating dealer direct costs incurred by the participating dealer relating to a Cooperative Marketing Initiative where the primary purpose is to provide educational information about tax or estate planning matters.
 14. The Filers have expertise in tax and estate planning matters or may retain others with such expertise. In addition to the topics currently permitted under subsection 5.1(a) of NI 81-105, the Filers wish to sponsor Cooperative Marketing Initiatives where the primary purpose of the Cooperative Marketing Initiatives is to provide educational information concerning tax or estate planning matters. The Filers will comply with subsections 5.1(b) -- (e) of NI 81-105 in respect of such Cooperative Marketing Initiatives they sponsor.
 15. The Filers have previously applied for and obtained the Exemption Sought, and Cooperative Marketing Initiatives conducted in respect of such previously granted exemption have been carried out in accordance with the terms and conditions of that exemption and in compliance with the applicable rules set out in NI 81-105.
 16. The Filers are of the view that sponsoring Cooperative Marketing Initiatives where the primary purpose is to provide educational information about tax or estate planning matters will benefit investors.
 17. The Filers are of the view that participating dealers of its Funds do not have vested interests in selling their Funds over other mutual funds.
 18. Each Filer has not engaged in any Cooperative Marketing Initiatives during the period between March 10, 2011 and August 9, 2011.
 19. Each Filer has applied for registration as an investment fund manager in Ontario.
 20. The Filers and other relevant parties are not in default of securities legislation in the Jurisdiction.
- 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 in respect of a Cooperative Marketing Initiative the primary purpose of which is to provide educational information concerning tax or estate planning matters:
- (i) the Filers do not require any participating dealer to sell any of its Funds or other financial products to investors;
 - (ii) other than as permitted by NI 81-105, the Filers do not provide participating dealers and their representatives with any financial or other incentives for recommending any of its Funds to investors;

- (iii) the materials presented in a Cooperative Marketing Initiative concerning tax or estate planning matters contain only general educational information about tax or estate planning matters;
- (iv) the Filers prepare or approve the content of the general educational information about tax or estate planning matters presented in a Cooperative Marketing Initiative and selects or approves an appropriately qualified speaker for each presentation about tax or estate planning matters delivered in a Cooperative Marketing Initiative;
- (v) any general educational information about tax or estate planning matters presented in a Cooperative Marketing Initiative contains an express statement that the content presented is for information purposes only, and is not providing advice to the attendees of the investor conference or investor seminar or the recipients of the sales communication, as applicable; and
- (vi) any general educational information about tax or estate planning matters presented in a Cooperative Marketing Initiative contains an indication of the types of professionals who may generally be qualified to provide advice on the subject matter of the information presented.

"James E.A. Turner"
Commissioner
Ontario Securities Commission

"Paulette L. Kennedy"
Commissioner
Ontario Securities Commission

2.1.7 Energy Income Fund and Crown Hill Capital Corporation

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Investment funds, and their manager, exempted from the dealer registration requirement for certain trading activities to be carried out in connection with a warrant offering by the investment funds – Trading activities to consist of the distribution of a short form (final) prospectus to existing holders of securities of the funds, and the distribution of units of the funds to holders of the warrants, upon their exercise, through an appropriately registered dealer.

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 25(1), 74(1).
Multilateral Instrument 11-102 Passport System.
National Instrument 81-102 Mutual Funds.
National Instrument 81-106 Investment Fund Continuous Disclosure.
National Instrument 45-106 Prospectus and Registration Exemptions, ss. 3.1, 3.42, 8.5.

September 7, 2011

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 ENERGY INCOME FUND (the "Fund"), AND CROWN HILL CAPITAL CORPORATION (the "Manager") (collectively, the "Filers")

DECISION

Background

The principal regulator in the Jurisdiction has received an application from the Filers for a decision under the securities legislation of the Jurisdiction of the principal regulator (the **Legislation**) exempting the Filers from the dealer registration requirement in the Legislation in respect of certain trades (the **Warrant Offering Activities**) to be carried out by the Manager, on behalf of the Fund, in connection with a proposed offering (the **Warrant Offering**) of warrants (the **Warrants**) to acquire units (the **Units**) of the Fund, to be made pursuant to a short-form (final) prospectus (the **Warrant Prospectus**).

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

1. the Ontario Securities Commission is the principal regulator for this application; and
2. each 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 by the Filer in British Columbia, Alberta, Saskatchewan, Manitoba, Quebec, New Brunswick, Nova Scotia, Prince Edward Island, and Newfoundland and Labrador (collectively, the **Passport Jurisdictions**).

Interpretation

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

Representations

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

1. The Fund is a trust established by declaration of trust under the laws of the Province of Ontario.
2. The Fund is a reporting issuer in each of the provinces of Canada and is not in default of securities legislation in any jurisdiction.
3. The Manager acts as the trustee and manager of the Fund.
4. The head office of each of the Filers is located in Toronto, Ontario.
5. The Fund is not considered to be a mutual fund under securities legislation of the provinces of Canada.
6. The Fund is authorized to issue an unlimited number of Units. The Units are listed and posted for trading on the Toronto Stock Exchange (the **TSX**).
7. The Fund is subject to certain investment restrictions that, among other things, limit the securities that the Fund may acquire for its investment portfolio.
8. The investment objectives of the Fund are to provide holders of Units with monthly cash distributions and to achieve a total return on the investment portfolio of the Applicant that is greater than the total return provided by its benchmark index.
9. The Fund's investment portfolio is primarily focused on the securities of issuers among the following asset classes: oil and gas trusts; energy

securities; other resource securities; and cash and short-term investments.

10. The Fund was formerly known as Sustainable Production Energy Trust until it merged with Energy Plus Income Trust and CGF Resource 2008 Flow-Through Limited Partnership on October 4, 2010, after which the Fund has continued as Energy Income Fund.
11. The Fund does not engage in the continuous distribution of its securities.
12. In connection with the Warrant Offering, the Fund has filed a preliminary short form prospectus dated March 3, 2011, under the securities legislation of Ontario and each of the Passport Jurisdictions. Under the Warrant Offering, each holder of Units as at a specified record date, will be entitled to receive, for no consideration, one Warrant for every one Unit held by such holder.
13. Holders of Warrants will be entitled, upon the exercise of such Warrants, to subscribe for Units, pursuant to subscription privileges provided for in the Warrants, at a subscription price to be specified in the Warrant Prospectus. Each Warrant will entitle the holder to subscribe for one Unit under a basic subscription privilege. Holders of Warrants who exercise Warrants under the basic subscription privilege may also subscribe, pro rata, for additional Units that are not subscribed for by other Holders under the basic subscription privilege, pursuant to the terms of an additional subscription privilege. The expiry date and time for the exercise of the warrants will be the earlier of 5:00 p.m. (Toronto time): (a) on March 1, 2012 or (b) the date which is 20 business days from the date the warrants are called by the Fund in accordance with their terms.
14. The Fund has applied to list the Warrants, to be distributed under the Warrant Prospectus, on the TSX.
15. The Warrant Offering Activities will consist of:
 - (a) the distribution of the Warrant Prospectus and the issuance of Warrants to the holders of Units (as at the record date specified in the Warrant Prospectus), after the Warrant Prospectus has been filed, and receipts obtained, under the securities legislation of Ontario and each of the Passport Jurisdictions; and
 - (b) the distribution of Units to holders of Warrants, upon the exercise of such Warrants by the holder, through a registered dealer that is registered in a category that permits the registered dealer to make such distribution.

16. The Fund is in the business of trading by virtue of its portfolio investing and trading activities. As a result, capital raising activities, including the Warrant Offering Activities, would require the Filers to register as a dealer in the absence of this decision (or another available exemption from the dealer registration requirement).
17. Section 8.5 of National Instrument 45-106 *Prospectus and Registration Exemptions* (NI 45-106) provides that the exemptions from the dealer registration requirements set out in section 3.1 [*Rights offering*] and section 3.42 [*Conversion, exchange, or exercise*] of NI 45-106 no longer apply.

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 Fund, and the Manager acting on behalf of the Fund, are not subject to the dealer registration requirement in respect of the Warrant Offering Activities.

“Christopher Portner”
Commissioner
Ontario Securities Commission

“Margot C. Howard”
Commissioner
Ontario Securities Commission

2.1.8 Just Energy Group Inc.

Headnote

Multilateral Instrument 11-102 Passport System and National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – exemption granted to a successor issuer from the requirement to deliver personal information forms for individuals for whom the trust previously delivered personal information forms.

Applicable Legislative Provisions

National Instrument 44-101 Short Form Prospectus Distributions, s. 8.1.

September 1, 2011

**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
JUST ENERGY GROUP INC. (THE FILER)**

DECISION

Background

The principal regulator in the Jurisdiction (the **Decision Maker**) has received an application (the **Application**) from the Filer for a decision under the securities legislation of the Jurisdiction of the principal regulator (the **Legislation**) exempting the Filer from the requirement under Subsection 4.1(b) of National Instrument 44-101 *Short Form Prospectus Distributions* (**NI 44-101**) for the Filer to deliver a Personal Information Form and Authorization to Collect, Use and Disclose Personal Information (in the form attached as Appendix A to National Instrument 41-101 *General Prospectus Requirements*) for each director and executive officer of the Filer at the time of filing a preliminary short form prospectus, for whom Just Energy Income Fund (the **Fund**) has previously delivered any of the documents described in clauses 4.1(b)(i)(E) through (G) of NI 44-101 at the time of filing such preliminary short form prospectus (the **Exemption Sought**).

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

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

Interpretation

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

Representations

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

The Fund and the Arrangement

- (a) The Fund was a trust established under the laws of the Province of Ontario pursuant to an amended and restated declaration of trust dated April 18, 2001.
- (b) A Plan of Arrangement completed on January 1, 2011 under Section 192 of the *Canada Business Corporations Act* resulted in the reorganization of the Fund (an income trust) into the Filer (a corporation) (the **Arrangement**).
- (c) Pursuant to the Arrangement, the Filer acquired all of the assets and assumed all of the liabilities of the Fund, including the Fund's convertible debentures, which are now convertible debentures of the Filer.
- (d) The Arrangement did not involve the acquisition of any additional operating assets or the disposition of any existing operating assets.
- (e) The Fund was a reporting issuer or the equivalent under the securities legislation of each of the Provinces and Territories of Canada. The Fund was dissolved in connection with the Arrangement and has therefore ceased to be a reporting issuer in each of the Provinces and Territories of Canada.
- (f) The trust units and the convertible debentures of the Fund were listed on the Toronto Stock Exchange (the **TSX**) and were delisted from the TSX prior to the opening of markets on January 4, 2011.
- (g) Prior to completion of the Arrangement, the Fund was not in default of applicable securities legislation in each of the Provinces and Territories of Canada.

The Filer

- (h) The Filer is a corporation amalgamated under the laws of Canada. The principal offices of the Filer are located in Mississauga and Toronto, Ontario.
- (i) The Filer is a reporting issuer or the equivalent under the securities legislation of each of the Provinces and Territories of Canada and is not in default of applicable securities legislation in each of the Provinces and Territories of Canada.
- (j) The common shares and the convertible debentures of the Filer are listed and posted for trading on the TSX.
- (k) The Fund has previously delivered the documents described in clauses 4.1(b)(i)(E) through (G) of NI 44-101 (the **Fund PIFs**) for each individual acting in the capacity of director or executive officer of the Fund on April 20, 2010, being the time of the last filing of a preliminary short form prospectus by the Fund.

Decision

The Decision Maker 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 Maker under the Legislation is that the Exemption Sought is granted, provided that:

- (a) each individual:
 - (i) for whom the Fund has previously delivered a Fund PIF; and
 - (ii) who is a director or executive officer of the Filer at the time of a prospectus filing by the Filer;authorizes the Decision Maker, in respect of the prospectus filing by the Filer, to collect, use and disclose the personal information that was previously provided in the Fund PIF;
- (b) at the time of the Filer's first prospectus filing, the Filer delivers to the Decision Maker an authorization of indirect collection, use and disclosure of personal information, substantially in the form of the authorization attached as Appendix A hereto;
- (c) the Filer will, if requested by the Decision Maker, promptly deliver such further information from each individual referred to in clause (a) above as the Decision Maker may require; and
- (d) this decision will terminate in any Jurisdiction in which the decision is in effect on the effective date of any change to subparagraph 4.1(b)(i) of NI 44-101.

Dated this 1st day of September, 2011

“Jo-Anne Matear”
Assistant Manager, Corporate Finance

APPENDIX A

AUTHORIZATION OF INDIRECT COLLECTION, USE AND DISCLOSURE OF PERSONAL INFORMATION

The Personal Information Forms in respect of the individuals listed in the attached Schedule 1, which were filed by Just Energy Income Fund (the **Fund**) with provincial securities regulators in Canada on **[insert date(s)]** (the **Fund Filings**), contain personal information concerning each individual acting in the capacity of director or executive officer of the Fund (the **Personal Information**), as required by securities legislation in respect of a prospectus filing by the Fund.

Just Energy Group Inc. (the Issuer) hereby confirms that each individual listed on Schedule 1:

- (a) is a director or executive officer of the Issuer;
- (b) has consented to the use of the Personal Information (previously provided in the Fund Filings) pertaining to that individual, in respect of an anticipated prospectus filing by the Issuer;
- (c) has been notified by the Issuer:
 - (i) that the Personal Information is being collected indirectly by the regulator under the authority granted to it by provincial securities legislation or provincial legislation relating to documents held by public bodies and the protection of personal information;
 - (ii) that the Personal Information is being collected and used for the purpose of enabling the regulator to administer and enforce provincial securities legislation, including those obligations that require or permit the regulator to refuse to issue a receipt for a prospectus if it appears to the regulator that the past conduct of management or promoters of the Issuer affords reasonable grounds for belief that the business of the Issuer will not be conducted with integrity and in the best interests of its security holders; and
 - (iii) of the contact, business address and business telephone number of the regulator in the local jurisdiction as set out in the attached Schedule 2, who can answer questions about the regulator's indirect collection of the Personal Information; and
- (d) has authorized the indirect collection, use and disclosure of the Personal Information by the regulators as described in Schedule 2, in respect of a prospectus filing by the Issuer.

Date: _____

Just Energy Group Inc.

Per: _____

Name:

Official Capacity:

(Please print the name of the person signing on behalf of the Issuer)

Schedule 2

Regulators

Local Jurisdiction

Regulator

Alberta

Securities Review Officer
Alberta Securities Commission
Suite 400, 300 – 5th Avenue S.W
Calgary, Alberta T2P 3C4
Telephone: (403) 297-6454
E-mail: inquiries@seccom.ab.ca
www.albertasecurities.com

British Columbia

Review Officer
British Columbia Securities Commission
P.O. Box 10142 Pacific Centre
701 West Georgia Street
Vancouver, British Columbia V7Y 1L2
Telephone: (604) 899-6854
Toll Free within British Columbia and Alberta: (800) 373-6393
E-mail: inquiries@bcsc.bc.ca
www.bcsc.bc.ca

Manitoba

Director, Corporate Finance
The Manitoba Securities Commission
500-400 St. Mary Avenue
Winnipeg, Manitoba R3C 4K5
Telephone: (204) 945-2548
E-mail: securities@gov.mb.ca
www.msc.gov.mb.ca

New Brunswick

Director Corporate Finance and Chief Financial Officer
New Brunswick Securities Commission
85 Charlotte Street, Suite 300
Saint John, New Brunswick E2L 2J2
Telephone: (506) 658-3060
Fax: (506) 658-3059
E-mail: information@nbsec-cvmnb.ca

Newfoundland and Labrador

Director of Securities
Department of Government Services and Lands
P.O. Box 8700
West Block, 2nd Floor, Confederation Building
St. John's, Newfoundland A1B 4J6
Telephone: (709) 729-4189
www.gov.nf.ca/gsl/cca/s

Northwest Territories

Superintendent of Securities
Department of Justice
Government of the Northwest Territories
P.O. Box 1320
Yellowknife, Northwest Territories X1A 2L9
Telephone: (867) 873-7490
www.justice.gov.nt.ca/SecuritiesRegistry

Nova Scotia

Deputy Director, Compliance and Enforcement
Nova Scotia Securities Commission
P.O. Box 458
Halifax, Nova Scotia B3J 2P8
Telephone: (902) 424-5354
www.gov.ns.ca/nssc

Local Jurisdiction

Regulator

Nunavut

Superintendent of Securities
Government of Nunavut
Legal Registries Division
P.O. Box 1000 – Station 570
Iqaluit, Nunavut X0A 0H0
Telephone: (867) 975-6590

Ontario

Administrative Assistant to the Director of Corporate Finance
Ontario Securities Commission
19th Floor, 20 Queen Street West
Toronto, Ontario M5H 2S8
Telephone: (416) 597-0681
E-mail: Inquiries@osc.gov.on.ca
www.osc.gov.on.ca

Prince Edward Island

Deputy Registrar, Securities Division
Shaw Building
95 Rochford Street, P.O. Box 2000, 4th Floor
Charlottetown, Prince Edward Island C1A 7N8
Telephone: (902) 368-4550
www.gov.pe.ca/securities

Québec

Autorité des marchés financiers
Stock Exchange Tower
P.O. Box 246, 22nd Floor
800 Victoria Square
Montréal, Québec H4Z 1G3
Attention: Responsable de l'accès à l'information
Telephone: (514) 395-0337
Toll Free in Québec: (877) 525-0337
www.lautorite.qc.ca

Saskatchewan

Director
Saskatchewan Financial Services Commission
Suite 601, 1919 Saskatchewan Drive
Regina, Saskatchewan S4P 4H2
Telephone: (306) 787-5842
www.sfsc.gov.sk.ca

Yukon

Superintendent of Securities
Department of Justice
Andrew A. Philipsen Law Centre
2130 – 2nd Avenue, 3rd Floor
Whitehorse, Yukon Territory Y1A 5H6
Telephone: (867) 667-5005
www.community.gov.yk.ca/corp/secureinvest.html

2.1.9 Citadel Income Fund and Crown Hill Capital Corporation

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Investment funds, and their manager, exempted from the dealer registration requirement for certain trading activities to be carried out in connection with a warrant offering by the investment funds – Trading activities to consist of the distribution of a short form (final) prospectus to existing holders of securities of the funds, and the distribution of units of the funds to holders of the warrants, upon their exercise, through an appropriately registered dealer.

Applicable Legislative Provisions

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

Multilateral Instrument 11-102 Passport System.

National Instrument 81-102 Mutual Funds.

National Instrument 81-106 Investment Fund Continuous Disclosure.

National Instrument 45-106 Prospectus and Registration Exemptions, ss. 3.1, 3.42, 8.5.

September 7, 2011

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 CITADEL INCOME FUND (the “Fund”), AND CROWN HILL CAPITAL CORPORATION (the “Manager”) (collectively, the “Filers”)

DECISION

Background

The principal regulator in the Jurisdiction has received an application, from the Filers for a decision under the securities legislation of the Jurisdiction of the principal regulator (the **Legislation**) exempting the Filers from the dealer registration requirement in the Legislation in respect of certain trades (the **Warrant Offering Activities**) to be carried out by the Manager, on behalf of the Fund, in connection with a proposed offering (the **Warrant Offering**) of warrants (the **Warrants**) to acquire units (the **Units**) of the Fund, to be made pursuant to a short-form (final) prospectus (the **Warrant Prospectus**).

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

1. the Ontario Securities Commission is the principal regulator for this application; and
2. each 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 by the Filer in British Columbia, Alberta, Saskatchewan, Manitoba, Quebec, New Brunswick, Nova Scotia, Prince Edward Island, and Newfoundland and Labrador (collectively, the **Passport Jurisdictions**).

Interpretation

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

Representations

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

1. The Fund is a trust established by declaration of trust under the laws of the Province of Ontario.
2. The Fund is a reporting issuer in each of the provinces of Canada and is not in default of securities legislation in any jurisdiction.
3. The Manager acts as the trustee and manager of the Fund.
4. The head office of each of the Filers is located in Toronto, Ontario.
5. The Fund is not considered to be a mutual fund under securities legislation of the provinces of Canada.
6. The Fund is authorized to issue an unlimited number of Units. The Units are listed and posted for trading on the Toronto Stock Exchange (the **TSX**).
7. The Fund is subject to certain investment restrictions that, among other things, limit the securities that the Fund may acquire for its investment portfolio.
8. The investment objectives of the Fund are to provide holders of Units with a stable stream of monthly distributions and to preserve and potentially enhance the net asset value of the Fund.
9. The Fund’s investment portfolio is invested in a diversified portfolio of securities with the focus on income generation consisting of (i) equity securities, of principally larger capitalization companies

- traded on a recognized stock exchange; (ii) debt securities with a focus on yield enhancement, with a minimum of 80% of debt securities invested in investment grade debt rated BBB or higher; and (iii) income funds, each of which has, at the date of investment by the Fund, a market capitalization, excluding control positions, of \$400 million, used to enhance yield in the portfolio.
10. The Fund does not engage in the continuous distribution of its securities.
 11. In connection with the Warrant Offering, the Fund has filed a preliminary short form prospectus dated March 3, 2011, under the securities legislation of Ontario and each of the Passport Jurisdictions. Under the Warrant Offering, each holder of Units as at a specified record date, will be entitled to receive, for no consideration, one Warrant for every one Unit held by such holder.
 12. Holders of Warrants will be entitled, upon the exercise of such Warrants, to subscribe for Units, pursuant to subscription privileges provided for in the Warrants, at a subscription price to be specified in the Warrant Prospectus. Each Warrant will entitle the holder to subscribe for one Unit under a basic subscription privilege. Holders of Warrants who exercise Warrants under the basic subscription privilege may also subscribe, *pro rata*, for additional Units that are not subscribed for by other Holders under the basic subscription privilege, pursuant to the terms of an additional subscription privilege. The expiry date and time for the exercise of the warrants will be the earlier of 5:00 p.m. (Toronto time): (a) on March 8, 2012 or (b) the date which is 20 business days from the date the warrants are called by the Fund in accordance with their terms.
 13. The Fund has applied to list the Warrants, to be distributed under the Warrant Prospectus, on the TSX.
 14. The Warrant Offering Activities will consist of:
 - (a) the distribution of the Warrant Prospectus and the issuance of Warrants to the holders of Units (as at the record date specified in the Warrant Prospectus), after the Warrant Prospectus has been filed, and receipts obtained, under the securities legislation of Ontario and each of the Passport Jurisdictions; and
 - (b) the distribution of Units to holders of Warrants, upon the exercise of such Warrants by the holder, through a registered dealer that is registered in a category that permits the registered dealer to make such distribution.

15. The Fund is in the business of trading by virtue of its portfolio investing and trading activities. As a result, capital raising activities, including the Warrant Offering Activities, would require the Filers to register as a dealer in the absence of this decision (or another available exemption from the dealer registration requirement).
16. Section 8.5 of National Instrument 45-106 *Prospectus and Registration Exemptions* (NI 45-106) provides that the exemptions from the dealer registration requirements set out in section 3.1 [*Rights offering*] and section 3.42 [*Conversion, exchange, or exercise*] of NI 45-106 no longer apply.

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 Fund, and the Manager acting on behalf of the Fund, are not subject to the dealer registration requirement in respect of the Warrant Offering Activities.

"Christopher Portner"
Commissioner
Ontario Securities Commission

"Margot C. Howard"
Commissioner
Ontario Securities Commission

2.1.10 The Filers and the Representative Dealers (as defined below)

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Relief granted from the Securities Act to permit dealers to send or deliver the Fund Facts instead of the simplified prospectus to satisfy current prospectus delivery requirements subject to conditions – the right of withdrawal and right of rescission under securities legislation apply to the sending and delivery of the Fund Facts – sunset clause on relief – terms and conditions consistent with CSA Staff Notice 81-321 Early Use of the Fund Facts to Satisfy Prospectus Delivery Requirements.

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 71, 147.

August 26, 2011

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
THE FILERS
(as defined below)

AND

IN THE MATTER OF
THE REPRESENTATIVE DEALERS
(as defined below)

DECISION

Background

The principal regulator in the Jurisdiction has received an application from the investment fund managers listed in Schedule A (each, a **Filer** and collectively, the **Filers**) for a decision under the securities legislation of the principal regulator (**Legislation**) for exemptive relief to permit a Dealer (as defined below), including the Representative Dealers (as defined below), to send or deliver the most recently filed fund facts document (**Fund Facts**) to satisfy the requirement contained in the Legislation that obligates a Dealer to send or deliver, within a specified time period and in a specified manner, the prospectus, and any amendment to the prospectus (**Delivery Requirement**), in respect of an order or subscription to purchase securities of a Fund (as defined below) (the **Exemption Sought**).

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

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

Interpretation

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

Right of Withdrawal means the right, given to a purchaser under the Legislation, to withdraw from a purchase order for a security of a mutual fund if the dealer from which the purchaser purchases the security receives written notice evidencing the intention of the purchaser not to be bound by the purchase order within two days of receipt of the latest prospectus sent or delivered in compliance with the Delivery Requirement. In Québec, this right is called a right to rescind. Collectively, these rights are referred to as the Rights of Withdrawal.

Right of Rescission means the right of action, under the Legislation, for rescission or damages against a dealer, for failure of the dealer to send or deliver the prospectus to a purchaser of a security to whom a prospectus was required to be sent or delivered, but was not sent or delivered in compliance with the Delivery Requirement. In Québec, such a purchaser may apply to have the transaction rescinded or the price revised, at the purchaser's option, without prejudice to the purchaser's claim for damages. Collectively, these rights are referred to as the Rights of Rescission.

Representations

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

1. Each of the Filers, other than Canadian Imperial Bank of Commerce (**CIBC**), is registered or has applied for registration as an investment fund manager in one or more of the Passport Jurisdictions. CIBC is exempt from the requirement to register as an investment fund manager in Ontario and is currently not registered as an investment fund manager in any other Passport Jurisdiction.
2. The head office of each Filer is located in one of the Passport Jurisdictions, as set out in Schedule A.
3. Each of the existing mutual funds and any future mutual funds managed by the Filers to which the Exemption Sought relates (each, a **Fund** and collectively, the **Funds**) is, or will be, offered for sale on a continuous basis in one or more of the Passport Jurisdictions pursuant to a simplified prospectus (each, a **Prospectus**) governed by National Instrument 81-101 *Mutual Fund Prospectus Disclosure* (**NI 81-101**).
4. Each Fund is, or will be, a reporting issuer in one or more of the Passport Jurisdictions.
5. Securities of the Funds are, or will be, distributed through dealers which may or may not be affiliated with the Filer (individually, each dealer that distributes securities of a Fund managed by a Filer is a **Dealer** and collectively, the **Dealers**).
6. Each Dealer is, or will be, registered as a dealer in one or more of the Passport Jurisdictions. Most of the Dealers are, or will be, members of either the Investment Industry Regulatory Organization of Canada or the Mutual Fund Dealers Association of Canada and, in Québec, members of the Chambre de la sécurité financière, or their successors.
7. Securities of the existing Funds may be purchased through BMO Nesbitt Burns Inc. (**BMONB**), other than (i) securities of certain Funds of a Filer and/or certain classes or series of the Funds which are distributed exclusively through a Filer in reliance upon its dealer registration, through a Dealer affiliated with a Filer, through a Dealer that is affiliated with the purchaser, or through an affiliate of a Filer that is a financial institution distributing securities in reliance upon an exemption from dealer registration; and (ii) securities of the Funds managed by PFSL Investments Canada Ltd. or the Affiliated Manager (as defined in Schedule A) (**PFSL**) which are distributed only through PFSL Investments Canada Ltd. BMONB and PFSL are collectively referred to as the **Representative Dealers**.
8. Each of the Filers and the Funds is not in default of securities legislation in any of the Passport Jurisdictions.
9. Pursuant to the Legislation, each Dealer has an obligation to send or deliver the Prospectus to a purchaser of a security of a Fund within two days of their purchase of the security.
10. Pursuant to the Canadian Securities Administrators' (the CSA) point of sale disclosure project for mutual funds (the **Project**), the CSA has determined that it is desirable to create a summary disclosure document called the Fund Facts.
11. CSA Staff Notice 81-319 *Status Report on the Implementation of Point of Sale Disclosure for Mutual Funds*, outlines the CSA's decision to implement the point of sale disclosure framework in stages.

12. Stage 1 of the Project became effective on January 1, 2011 by amending NI 81-101 and related instruments mandating a mutual fund to prepare and file a Fund Facts on the System for Electronic Document Analysis and Retrieval (**SEDAR**) for each relevant class or series of the mutual fund, and having the Fund Facts posted to the mutual fund's or its manager's website and delivered to any person upon request, at no cost.
13. Stage 2 of the Project proposes to allow delivery of the Fund Facts to satisfy the current requirement under the Legislation to send or deliver a prospectus within two days of purchasing a mutual fund.
14. Each Filer has determined that it would be desirable to apply for relief consistent with the proposed requirements in Stage 2 of the Project prior to the implementation of the Stage 2 amendments and, accordingly, requires an exemption to satisfy the Delivery Requirement, as contemplated by CSA Staff Notice 81-321 *Early Use of Fund Facts to Satisfy Prospectus Delivery Requirements*.
15. Investors will be able to request a copy of the Prospectus, at no cost, by contacting the applicable Filer or Dealer and will continue to be able to access the Prospectus on the SEDAR website and on the website of the Filer or the Fund (as applicable).

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:

1. Prior to providing the Fund Facts to a Dealer to send or deliver in lieu of the Prospectus, the Filer:
 - (a) files a Fund Facts for the applicable class or series of securities of the Fund in accordance with the requirements of NI 81-101 and in the format prescribed by Form 81-101F3 *Contents of Fund Facts Document*;
 - (b) discloses in the Fund Facts for a specific class or series
 - (i) if management fees, administration fees and/or other fees are payable directly by investors to the Filer in respect of holding securities of that class or series of the mutual fund, the existence of such fees and, in any Fund Facts filed after the date of this decision and no later than the next renewal of the Prospectus for such class or series, the maximum management fees, administration fees and/or other fees that may be charged by the Filer to the investor; and
 - (ii) any requirement for an investor to participate in a fee-based arrangement with their dealer in order to be eligible to purchase the particular class or series of the mutual fund; and
 - (c) renews or amends the Prospectus that offers such class or series of the Fund to specify under Item 3 of Part A of Form 81-101F1 *Contents of Simplified Prospectus* that the Fund Facts is incorporated by reference into the Prospectus.
2. A Fund Facts that is being sent or delivered will not be attached to, or bound with another Fund Facts unless each Fund Facts:
 - (a) relates to securities of a Fund that have been purchased by the investor; and
 - (b) is being sent or delivered pursuant to this decision.
3. The Filer, and any Dealer relying on the ability to send or deliver Fund Facts in lieu of the Prospectus for Funds managed by the Filer, grants to an investor purchasing the securities of a Fund a right equivalent to the Rights of Withdrawal upon the sending or delivery of the Fund Facts. The Rights of Withdrawal and the Rights of Rescission will no longer apply if the Fund Facts is sent or delivered to an investor in accordance with the time period and in the manner specified for the Prospectus under the Delivery Requirement.
4. Prior to a Dealer relying on the ability to send or deliver Fund Facts in lieu of the Prospectus for Funds managed by a Filer, the Filer or an agent of the Filer provides to the Dealer:
 - (a) a copy of this decision;
 - (b) a disclosure statement informing the Dealer of the implications of this decision; and

- (c) an acknowledgment of the matters referred to in paragraph 5 below (the **Acknowledgment**), to be signed and returned by the Dealer to the Filer or its agent.
5. Prior to a Dealer relying on the ability to send or deliver Fund Facts in lieu of the Prospectus for Funds managed by a Filer, the Dealer returns the Acknowledgement to the Filer or an agent of the Filer:
- (a) acknowledging receipt of a copy of this decision;
- (b) agreeing to send or deliver the Fund Facts to an investor in lieu of the Prospectus;
- (c) confirming that the Dealer will provide a right equivalent to the Rights of Withdrawal attaching to the sending or delivery of the Fund Facts;
- (d) acknowledging that, in the event a Fund Facts is not sent or delivered in accordance with this decision, a Prospectus must be sent or delivered and the Rights of Rescission will continue to apply to the failure to send or deliver the Prospectus;
- (e) undertaking that the Dealer will only attach or bind one Fund Facts with another Fund Facts if both are being sent or delivered at the same time to an investor pursuant to this decision; and
- (f) confirming that the Dealer has in place written policies and procedures to ensure that there is compliance with the conditions of the decision.
6. Investors in the Funds managed by the Filers receive notice in a document other than the Fund Facts, at or before the time they receive the Fund Facts, indicating that they will have equivalent rights and protections otherwise applicable under securities law in their jurisdiction for the sending or delivery of the Fund Facts, which includes wording substantially similar to the following:
- The Fund Facts for the securities you purchase is being sent or delivered to you instead of the simplified prospectus. You will continue to have the equivalent rights and protections otherwise applicable under securities law as if you were sent or delivered the simplified prospectus. Depending on your province or territory, you may have the right to:
- withdraw from an agreement to buy securities of mutual funds within two business days after you receive a fund facts document, or
 - cancel your purchase within 48 hours after you receive confirmation of the purchase.
- For more information, see the securities law of your province or territory or ask a lawyer.
7. The Filer will cause the Funds managed by it to honour any request made by an investor to exercise a right equivalent to the Rights of Withdrawal in respect of an agreement to purchase securities of a Fund managed by the Filer that a Dealer fails to honour, provided such request is made in respect of a validly exercised right.
8. Each Filer or its agent keeps records of the Dealers that have returned to the Filer or its agent signed copies of the Acknowledgement and, on a confidential basis, each Filer or its agent provides the principal regulator for its Funds on a quarterly basis beginning 60 days after the date upon which the Exemption Sought is first relied upon by the Filer and Funds it manages, and upon request, at the discretion of the Filer, either (i) a current list of all such Dealers, or (ii) an update to the list of such Dealers or confirmation that there has been no change to such list.
9. The Exemption Sought terminates the earlier of (a) 6 months from any notice by the CSA that the Exemption Sought may no longer be relied upon; and (b) the coming into force of any legislation or rule relating to the sending or delivery of the Fund Facts to satisfy the Delivery Requirement.

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

“Charles Wesley Moore Scott”
Commissioner
Ontario Securities Commission

SCHEDULE A

<u>Filer</u>	<u>Location of Head Office</u>
Acuity Funds Ltd.	Ontario
ATB Investment Management Inc.	Alberta
AGF Investments Inc.	Ontario
BMO Investments Inc.	Ontario
BMO Nesbitt Burns Inc.	Ontario
Brandes Investment Partners & Co.	Ontario
Canadian Imperial Bank of Commerce	Ontario
Canoe Financial LP	Alberta
Capital International Asset Management (Canada), Inc.	Ontario
Castlerock Investments Inc.	Ontario
CIBC Asset Management Inc.	Ontario
CI Investments Inc.	Ontario
Counsel Portfolio Services Inc.	Ontario
Dimensional Fund Advisors Canada ULC	British Columbia
Excel Funds Management Inc.	Ontario
Fidelity Investments Canada ULC	Ontario
Franklin Templeton Investments Corp.	Ontario
HSBC Global Asset Management (Canada) Limited	British Columbia
Invesco Canada Ltd. (formerly, Invesco Trimark Ltd.)	Ontario
JovFinancial Solutions Inc.	Ontario
JovInvestment Management Inc.	Ontario
Mackenzie Financial Corporation	Ontario
Manulife Asset Management Limited	Ontario
Mawer Investment Management Ltd.	Alberta
MD Physician Services Inc.	Ontario
NexGen Financial Limited Partnership	Ontario
Northwest & Ethical Investments LP	Ontario
OceanRock Investments Inc.	British Columbia
Penderfund Capital Management Ltd.	British Columbia
PIMCO Canada Corp.	Ontario
PFSL Investments Canada Ltd.*	Ontario
Qwest Investment Fund Management Ltd.	British Columbia
RBC Global Asset Management Inc.	Ontario
Return on Innovation Management Ltd.	Ontario
Russell Investments Canada Limited	Ontario

Decisions, Orders and Rulings

Sentry Investments Inc.	Ontario
Sprott Asset Management LP	Ontario
Sun Life Global Investments (Canada) Inc.	Ontario
TD Asset Management Inc.	Ontario
Webb Asset Management Canada, Inc.	Ontario
Yorkville Asset Management Inc.	Ontario

*This Filer intends to reorganize its operations and transfer management of the Funds for which it acts as manager to an affiliate (to be created) (the Affiliated Manager). This Filer will continue its operations as a Dealer. Accordingly, all references in this decision to the Filer shall mean the Affiliated Manager once this reorganization has been effected.

2.1.11 Goldstone Resources Inc. – s. 1(10)

Headnote

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

Applicable Legislative Provisions

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

September 13, 2011

Karen Slater
Fraser Milner Casgrain LLP
77 King Street West
Suite 400
Toronto, Ontario M5K 0A1

Dear Ms. Slater,

Re: Goldstone Resources Inc. (the Applicant) – application for a decision under the securities legislation of Ontario and Alberta (the Jurisdictions) that the Applicant is not a reporting Issuer

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

As the Applicant has represented to the Decision Makers that:

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

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

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

2.1.12 Enbridge Income Fund Holdings Inc.

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Multilateral Instrument 61-101 Protection of Minority Security Holders in Special Transactions – related party transactions – income fund to acquire assets from a related party – issuer to offer common shares to fund acquisition from related party – issuer to use proceeds to acquire additional fund units of a related party, which in turn will subscribe for trust units of a related party – fund jointly owned by issuer and related party – issuer will provide a valuation and obtain minority approval of asset acquisition – issuer exempt from valuation requirement in connection with subscription of fund units.

Applicable Legislative Provisions

Multilateral Instrument 61-101 Protection of Minority Security Holders in Special Transactions, ss. 5.4, 9.1(2).

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions.

September 9, 2011

**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
ENBRIDGE INCOME FUND HOLDINGS INC.
(the “Filer”)**

DECISION

Background

The principal regulator in the Jurisdiction has received an application from the Filer for a decision under the securities legislation of the Jurisdiction of the principal regulator (the “Legislation”) requesting relief (the “Exemptive Relief”) from the requirement contained in section 5.4 of Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions* (“MI 61-101”) that the Filer include a formal valuation or a summary thereof of the ordinary trust units (the “Fund Units”) of Enbridge Income Fund (the “Fund”) to be acquired by the Filer in connection with the indirect acquisition by the Fund of certain renewable energy assets situated in Ontario (the “Renewable Assets”) owned by Enbridge Inc. (“Enbridge”).

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 subsection 4.7(1) of Multilateral Instrument 11-102 *Passport System* ("MI 11-102") is intended to be relied upon in Québec.

Interpretation

Capitalized terms in this Application have the same meaning as those defined in National Instrument 14-101 *Definitions*, MI 61-101 and MI 11-102 unless otherwise defined herein.

Representations

This decision is based on the following factual information represented by the Filer.

1. The Filer was incorporated under the laws of the Province of Alberta on March 26, 2010.
2. The Filer's principal and head office is located at Suite 3000, 425 – 1st Street SW, Calgary, Alberta, T2P 3L8.
3. The Filer's Articles of incorporation restrict the Filer's business to acquiring, holding, transferring, disposing of, investing in and otherwise dealing in assets, securities, properties or other interests of, or issued by, the Fund and its associates or affiliates, or any other business entity in which the Fund has an interest, as well as all other business and activities which are necessary, desirable, ancillary or incidental thereto, including but not limited to borrowing funds and incurring indebtedness; guaranteeing of debts or liabilities; and issuing, redeeming or repurchasing securities.
4. The Filer is a reporting issuer in all Provinces of Canada.
5. The authorized capital of the Filer consists of an unlimited number of common shares ("**Common Shares**"), first preferred shares, issuable in series and limited to one-half of the number of Common Shares issued and outstanding at the relevant time, and one special voting share, of which an aggregate of 25,125,000 Common Shares, no first preferred shares and one special voting share are issued and outstanding as at the date hereof.
6. Enbridge holds an aggregate of 5,000,000 Common Shares constituting 19.9% of the issued and outstanding Common Shares.
7. The Common Shares are listed on the Toronto Stock Exchange.
8. The only assets of the Filer are 25,125,000 Fund Units. The Filer does not have any outstanding debt or material liabilities.
9. The Fund is an unincorporated open-ended trust established under the laws of the Province of Alberta on May 22, 2003.
10. The Fund's principal and head office is located at Suite 3000, 425 – 1st Street SW, Calgary, Alberta, T2P 3L8.
11. The Fund is a limited purpose trust and, generally speaking, its activities are restricted to acquiring, holding, and dealing with interests in operating investments that are involved in energy infrastructure and related businesses. The Fund's permitted activities also include issuing securities and engaging in financial and other activities ancillary or incidental to its purpose.
12. The Fund is a reporting issuer in all Provinces of Canada.
13. The authorized capital of the Fund consists of an unlimited number of Fund Units. As at the date hereof, 34,625,000 Fund Units are issued and outstanding, of which 25,125,000 are held by the Filer and 9,500,000 are held by Enbridge. As of the date hereof, on a fully diluted basis (which includes the ECT Preferred Units described below), Enbridge holds a 65.4% interest in the Fund and the Filer holds a 34.6% interest in the Fund.
14. The Fund Units are not listed on any exchange or market.
15. The Fund indirectly owns a 50% interest in the Canadian portion of the Alliance Pipeline System, crude oil and natural gas pipelines in Saskatchewan and various interests in entities that produce electricity from renewable and alternative energy sources.
16. Enbridge Commercial Trust ("**ECT**") is an unincorporated trust established under the laws of the Province of Alberta on December 20, 2002.
17. ECT's principal and head office is located at Suite 3000, 425 – 1st Street SW, Calgary, Alberta, T2P 3L8.
18. ECT is not a reporting issuer.
19. The authorized capital of ECT consists of an unlimited number of ECT common units ("**ECT Common Units**") and an unlimited number of ECT non-voting preferred units ("**ECT Preferred Units**"). As at the date hereof, there are 34,625,000 ECT Common Units outstanding (all of which are owned by the Fund) and 38,023,750 ECT Preferred Units outstanding (all of which are

owned by Enbridge). The ECT Preferred Units are convertible at any time and from time to time into Fund Units on a 1:1 basis at the option of the holder.

20. ECT's activities are restricted to the direct or indirect conduct of the business of, or activities pertaining to, energy infrastructure including the ownership, operation and lease of assets and property, investments, and other rights or interests in companies or other entities involved in the energy infrastructure business and engaging in all activities ancillary or incidental to the foregoing.
21. ECT holds all of the outstanding securities of certain partnerships and corporations which own the assets of the Fund and which will acquire securities in the entities that own the Renewable Assets. All such entities are indirectly wholly-owned by Enbridge and are sole purpose entities formed for the purpose of owning and operating the Renewable Assets, which comprise their sole assets.
22. The proposed acquisition of the Renewable Assets (the "**Transaction**") will be effected by: (i) the acquisition by one or more wholly-owned indirect subsidiaries of the Fund from wholly-owned indirect subsidiaries of Enbridge of all of the outstanding shares of the general partners of the limited partnerships that hold the Renewable Assets; (ii) the subscription and purchase by wholly-owned indirect subsidiaries of the Fund of limited partnership units of the limited partnerships that hold the Renewable Assets; and (iii) the repurchase for cancellation by the limited partnerships that hold the Renewable Assets of all of the limited partnership units currently held indirectly by Enbridge, such that the Fund will indirectly be the sole owner of the limited partnerships that own the Renewable Assets and the general partners that manage such limited partnerships. The wholly-owned subsidiaries of the Fund which will be directly acquiring the shares and limited partnership units are hereafter collectively referred to as the "**Purchasers**".
23. Pursuant to the Transaction, the price for the Renewable Assets of approximately \$1.3 billion (subject to finalization) will be financed as follows: (i) the Filer will issue Common Shares to the public and to Enbridge (such that Enbridge will retain its 19.9% interest in the Filer) and the Filer will use the proceeds therefrom to acquire additional Fund Units; (ii) the Fund will use the proceeds from the issuance of the Fund Units to the Filer (and to Enbridge if the Filer does not acquire all of Fund Units), to acquire ECT Common Units; (iii) the Fund will borrow \$655 million from Enbridge on commercial terms and in turn loan such amount to ECT; (iv) ECT will issue additional ECT Preferred Units to Enbridge; (v) the proceeds received by ECT from the Fund (from

the sale of ECT Common Units and the loan) and from the issuance of the ECT Preferred Units will be loaned to the Purchasers; and (vi) the Purchasers will acquire the entities which own the Renewable Assets.

24. The Transaction contemplates that Enbridge will subscribe for a new series of ECT Preferred Units (to be created) with a different redemption price and liquidation preference amount, but otherwise on the same terms as the outstanding ECT Preferred Units, and that the issuances of: (i) the Fund Units to the Filer and to Enbridge (if any); (ii) the ECT Common Units to the Fund; (iii) the ECT Preferred Units to Enbridge; and (iv) the Common Shares to Enbridge will be at the same price as that under the public offering of Common Shares by the Filer (the "**Financing**").
25. The Filer is a flow through entity. Pursuant to the restructuring of the Fund that was completed on December 17, 2010, the public shareholders of the Fund and Enbridge (with respect to 5,000,000 Fund Units) exchanged their Fund Units for Common Shares on a 1:1 basis.
26. Completion of the Transaction is subject to a number of conditions, including completion of the Financing, regulatory approvals, third party consents and any Board and shareholder approvals.
27. The Board of Directors of the Filer and the Board of Trustees of ECT have formed a joint independent committee (the "**Independent Committee**") to review, consider, negotiate and approve the Transaction. To assist in the discharge of its responsibilities, the Independent Committee has retained:
 - (a) CIBC World Markets Inc. to act as independent financial advisor to the Independent Committee and, in particular, to prepare and deliver a formal valuation in accordance with MI 61-101 of the Renewable Assets and a written opinion as to the fairness of the Transaction from a financial point of view to the Filer (the "**Valuation and Fairness Opinion**");
 - (b) independent legal counsel; and
 - (c) SAIC Energy, Environment & Infrastructure, LLC to prepare and deliver an independent engineering report in respect of the Renewable Assets.
28. Upon receiving a recommendation from the Independent Committee and the Board of Directors of the Filer that the Transaction be proceeded with, the Filer intends to hold a meeting (the "**Meeting**") of the holders of the Common Shares to obtain approval of, *inter alia*,

the Transaction in accordance with the majority of the minority requirements under MI 61-101. Enbridge and its affiliates will not be entitled to vote.

29. The materials to be sent to holders of Common Shares in connection with the Meeting will include full details of the Transaction as required under applicable securities legislation, including the Valuation and Fairness Opinion.

Decision

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

The decision of the principal regulator under the Legislation is that the Exemptive Relief is granted.

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

2.1.13 Christopher Miller and other Advising Representatives of Portfolio Managers applying for registration as Dealing Representatives

Headnote

Revocation of prior interim decision of Director dated February 26, 2010, In the Matter of National Instrument 31-103 Registration Requirements and Exemptions and Christopher Miller and other Advising Representatives of Portfolio Managers applying for registration as Dealing Representatives – Circumstances provided for in the interim decision are now addressed in the new paragraphs 3.5(d) and 3.9(e) of National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations – Sections 3.5 and 3.9 of NI 31-103 specify proficiency requirements for individuals who act as dealing representatives for mutual fund dealers and exempt market dealers – Individuals may satisfy these proficiency requirements if they meet the proficiency requirements for an advising representative of a portfolio manager set out in section 3.11 of NI 31-103 – Under subsection 16.10(1) of NI 31-103, individuals registered in any jurisdiction of Canada as an advising representative on the day NI 31-103 came into force, and who remain registered in that category, are provided with a transitional exemption from section 3.11 – Interim decision had the effect of recognizing this exemption in determining whether an individual met the proficiency requirements set out in section 3.11 for the purposes of sections 3.5 and 3.9 of NI 31-103.

Applicable Legislative Provisions

National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations, ss. 3.5, 3.5(d), 3.9, 3.9(e), 3.11, 15.1, 16.10(1).

Decision Cited

In the Matter of National Instrument 31-103 Registration Requirements and Exemptions and Christopher Miller and other Advising Representatives of Portfolio Managers applying for registration as Dealing Representatives, (2010) 33 OSCB 1771.

September 13, 2011

IN THE MATTER OF
NATIONAL INSTRUMENT 31-103 REGISTRATION REQUIREMENTS,
EXEMPTIONS AND ONGOING REGISTRANT OBLIGATIONS
("NI 31-103")

AND

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

DECISION

Interpretation

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

Background

1. The Lead Filer applied to the Director, under section 15.1 of NI 31-103, for exemptions for himself and each advising representative of a portfolio manager registered in a jurisdiction of Canada on and since the date NI 31-103 came into force (together with the Lead Filer, the **Filers** or, individually, a **Filer**) from sections 3.5 [*mutual fund dealer – dealing representative*] and 3.9 [*exempt market dealer – dealing representative*] of NI 31-103, subject to certain conditions and restrictions.
2. On February 26, 2010, the Director issued a decision (the **Interim Decision**) under section 15.1 of NI 31-103, *In the Matter of National Instrument 31-103 Registration Requirements and Exemptions and Christopher Miller and other Advising Representatives of Portfolio Managers applying for registration as Dealing Representatives*, (2010) 33 OSCB 1771.

3. The Interim Decision provided exemptions from the dealing representative proficiency requirements outlined above for Filers whose sponsoring firms chose to add either of the following additional categories of registration: mutual fund dealer or exempt market dealer.
4. Under the Interim Decision, a Filer was exempted from sections 3.5 [*mutual fund dealer – dealing representative*] and 3.9 [*exempt market dealer – dealing representative*] of NI 31-103 so long as the Filer was exempt from section 3.11 [*portfolio manager – advising representative*] of NI 31-103 in any jurisdiction of Canada due to the application of subsection 16.10(1) [*proficiency for dealing and advising representatives*] of NI 31-103.
5. The Interim Decision was issued by the Director on the understanding that it would be reconsidered in the course of the NI 31-103 amendments process.
6. Amendments to NI 31-103 were published on April 15, 2011 and came into force on July 11, 2011. As a result of these amendments, the circumstances previously provided for in the Interim Decision are now addressed in paragraphs 3.5(d) and 3.9(e) of NI 31-103.

Decision

The Director is satisfied that it is in the public interest for him to make this decision.

The decision of the Director is that, effective September 16, 2011, the Interim Decision is revoked.

“Erez Blumberger”

Deputy Director, Compliance and Registrant Regulation
Ontario Securities Commission

2.1.14 Vantage Asset Management Inc. and other Portfolio Managers applying for registration in another category

Headnote

Revocation of prior interim decision of Director dated February 26, 2010, In the Matter of National Instrument 31-103 Registration Requirements and Exemptions and Vantage Asset Management Inc. and other Portfolio Managers applying for registration in another category – Circumstances provided for in the interim decision are now addressed in the new paragraphs 3.6(c), 3.10(c) and 3.14(d) of National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations – Under paragraphs 3.6(b), 3.10(b) and 3.14(c) of NI 31-103, an individual may be designated as the chief compliance officer of a mutual fund dealer, exempt market dealer, or investment fund manager, if the individual has met the proficiency requirements for the chief compliance officer of a portfolio manager set out in section 3.13 – Under subsection 16.9(2) of NI 31-103, individuals who became registered as the chief compliance officer for a portfolio manager within three months of the day NI 31-103 came into force, and who were identified on the National Registration Database as that portfolio manager's compliance officer in a jurisdiction of Canada on the day NI 31-103 came into force, are provided with a transitional exemption from section 3.13 – Interim decision had the effect of recognizing this exemption in determining whether an individual met the proficiency requirements set out in section 3.13 for the purposes of paragraphs 3.6(b), 3.10(b) and 3.14(c).

Applicable Legislative Provisions

National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations, ss. 3.6, 3.6(b), 3.6(c), 3.10, 3.10(b), 3.10(c), 3.13, 3.14, 3.14(c), 3.14(d), 15.1, 16.9(2), and Part 3.

Decision Cited

In the Matter of National Instrument 31-103 Registration Requirements and Exemptions and Vantage Asset Management Inc. and other Portfolio Managers applying for registration in another category, (2010) 33 OSCB 1777.

September 13, 2011

IN THE MATTER OF
NATIONAL INSTRUMENT 31-103 REGISTRATION REQUIREMENTS,
EXEMPTIONS AND ONGOING REGISTRANT OBLIGATIONS
("NI 31-103")

AND

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

DECISION

Interpretation

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

Background

1. The Lead Filer applied to the Director, under section 15.1 of NI 31-103, for exemptions for the Lead Filer and each portfolio manager registered in a jurisdiction of Canada on and since the date NI 31-103 came into force (together with the Lead Filer, the **Filers** or, individually, a **Filer**) from certain sections in Part 3 [*proficiency*] of NI 31-103, subject to certain conditions and restrictions.
2. On February 26, 2010, the Director issued a decision (the **Interim Decision**) under section 15.1 of NI 31-103, *In the Matter of National Instrument 31-103 Registration Requirements and Exemptions and Vantage Asset Management Inc. and other Portfolio Managers applying for registration in another category*, (2010) 33 OSCB 1777.
3. The Interim Decision provided exemptions from the chief compliance officer proficiency requirements in Part 3 [*proficiency*] of NI 31-103 for Filers that chose to add an additional category of registration.

4. Under the Interim Decision, a Filer was exempted from the applicable proficiency requirements in sections 3.6 [*mutual fund dealer – chief compliance officer*], 3.10 [*exempt market dealer – chief compliance officer*], and 3.14 [*investment fund manager – chief compliance officer*] of NI 31-103, subject to the following conditions:
 - i. the Filer was exempt from section 3.13 [*portfolio manager – chief compliance officer*] of NI 31-103 in any jurisdiction of Canada due to the application of subsection 16.9(2) [*registration of chief compliance officers*] of NI 31-103, and
 - ii. the individual designated as the Filer's chief compliance officer in respect of the Filer's mutual fund dealer, exempt market dealer or investment fund manager activities was the same individual designated as the Filer's chief compliance officer in respect of the Filer's portfolio manager activities.
5. The Interim Decision was issued by the Director on the understanding that it would be reconsidered in the course of the NI 31-103 amendments process.
6. Amendments to NI 31-103 were published on April 15, 2011 and came into force on July 11, 2011. As a result of these amendments, the circumstances previously provided for in the Interim Decision are now addressed in paragraphs 3.6(c), 3.10(c) and 3.14(d) of NI 31-103.

Decision

The Director is satisfied that it is in the public interest for him to make this decision.

The decision of the Director is that, effective September 16, 2011, the Interim Decision is revoked.

“Erez Blumberger”

Deputy Director, Compliance and Registrant Regulation
Ontario Securities Commission

2.1.15 Raymond James Ltd. and certain other registered firms registered as of February 26, 2010

Headnote

Revocation of prior interim decision of Director dated February 26, 2010, In the Matter of National Instrument 31-103 Registration Requirements and Exemptions and Raymond James Ltd. and certain other registered firms registered as of the date of this decision – Circumstances provided for in the interim decision are now addressed in the new subsection 14.5(2) of National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations – Section 14.5 of NI 31-103 requires a registered firm whose head office is not located in Ontario to provide clients in Ontario with certain disclosure, including disclosure that there may be difficulty enforcing legal rights against the firm because the firm is not resident in Ontario – Interim decision provided an exemption from the disclosure requirements in section 14.5 if the registered firm's head office was located in another jurisdiction of Canada and the firm had a physical place of business in Ontario --The new subsection 14.5(2) of NI 31-103 provides an exemption from the disclosure requirements now contained in subsection 14.5(1) of NI 31-103 for registered firms whose head office is in Canada if the firm is registered in the local jurisdiction.

Applicable Legislative Provisions

National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations, ss. 14.5, 14.5(1), 14.5(2), 15.1.

Decision Cited

In the Matter of National Instrument 31-103 Registration Requirements and Exemptions and Raymond James Ltd. and certain other registered firms registered as of the date of this decision, (2010) 33 OSCB 1772.

September 13, 2011

**IN THE MATTER OF
NATIONAL INSTRUMENT 31-103 REGISTRATION REQUIREMENTS,
EXEMPTIONS AND ONGOING REGISTRANT OBLIGATIONS
("NI 31-103")**

AND

**RAYMOND JAMES LTD. (the "Lead Filer")
AND CERTAIN OTHER REGISTERED FIRMS REGISTERED AS OF FEBRUARY 26, 2010**

DECISION

Interpretation

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

Background

1. The Lead Filer applied to the Director, under section 15.1 of NI 31-103, for exemptions for itself and each registered firm registered as of February 26, 2010 that had a physical place of business in Ontario (together with the Lead Filer, the **Filers** or, individually, a **Filer**) from section 14.5 of NI 31-103, subject to certain conditions and restrictions.
2. On February 26, 2010, the Director issued a decision (the **Interim Decision**) under section 15.1 of NI 31-103, *In the Matter of National Instrument 31-103 Registration Requirements and Exemptions and Raymond James Ltd. and certain other registered firms registered as of the date of this decision*, (2010) 33 OSCB 1772.
3. The Interim Decision provided exemptions from the client disclosure requirements under section 14.5 of NI 31-103 for a registered firm whose head office is not located in Ontario.
4. Under the Interim Decision, a Filer was exempt from what is now subsection 14.5(1) of NI 31-103 so long as:
 - a. the head office of the Filer was located in another jurisdiction of Canada, and
 - b. the Filer had a physical place of business in Ontario.

5. The Interim Decision was issued by the Director on the understanding that it would be reconsidered in the course of the NI 31-103 amendments process.
6. Amendments to NI 31-103 were published on April 15, 2011 and came into force on July 11, 2011. As a result of these amendments, the circumstances previously provided for in the Interim Decision are now addressed in subsection 14.5(2) of NI 31-103.

Decision

The Director is satisfied that it is in the public interest for him to make this decision.

The decision of the Director is that, effective September 16, 2011, the Interim Decision is revoked.

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

2.1.16 USC Education Savings Plans Inc. and others registered as of November 5, 2010

Headnote

Revocation of prior interim decision of Director dated November 2, 2010, In the Matter of National Instrument 31-103 Registration Requirements and Exemptions and In the Matter of USC Education Savings Plans Inc. and others registered as of the date of this decision – Circumstances provided for in the interim decision are now addressed in the new subsection 13.2(7) of National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations – Paragraph 13.2(2)(b) of NI 31-103 requires a registrant to take reasonable steps to establish whether their client is an insider of a reporting issuer or any other issuer whose securities are publicly traded – Interim decision had the effect of exempting specified registrants from this requirement in respect of a client for which the registrant only traded securities referred to in paragraphs 7.1(2)(b) and 7.1(2)(c) of NI 31-103 (being the branches of subsection 7.1(2) relevant to registered mutual fund dealers and scholarship plan dealers).

Applicable Legislative Provisions

National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations, ss. 7.1(2)(b), 7.1(2)(c), 13.2(2)(b), 13.2(7), and 15.1.

Decision Cited

In the Matter of National Instrument 31-103 Registration Requirements and Exemptions and In the Matter of USC Education Savings Plans Inc. and others registered as of the date of this decision, (2010) 33 OSCB 10163.

In the Matter of National Instrument 31-103 Registration Requirements and Exemptions and Scotia Securities Inc. and other Mutual Fund Dealers registered as of the date of this decision, (2010) 33 OSCB 1775.

September 13, 2011

**IN THE MATTER OF
NATIONAL INSTRUMENT 31-103 REGISTRATION REQUIREMENTS,
EXEMPTIONS AND ONGOING REGISTRANT OBLIGATIONS
("NI 31-103")**

AND

**USC EDUCATION SAVINGS PLANS INC. (the "Lead Filer")
AND OTHERS REGISTERED AS OF NOVEMBER 5, 2010**

DECISION

Interpretation

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

Background

1. The Lead Filer applied to the Director, under section 15.1 of NI 31-103, for exemptions for itself and each registrant registered as of November 5, 2010 (together with the Lead Filer, the **Filers** or, individually, a **Filer**) from paragraph 13.2(2)(b) of NI 31-103, subject to certain conditions and restrictions.
2. On November 2, 2010, the Director issued a decision (the **Interim Decision**) under section 15.1 of NI 31-103, *In the Matter of National Instrument 31-103 Registration Requirements and Exemptions and In the Matter of USC Education Savings Plans Inc. and others registered as of the date of this decision*, (2010) 33 OSCB 10163.
3. The Interim Decision provided exemptions from the requirement of a Filer under paragraph 13.2(2)(b) of NI 31-103 to establish whether a client is an insider of a reporting issuer or any other issuer whose securities are publicly traded in respect of a client for which a Filer only trades securities referred to in paragraph 7.1(2)(b) or (c) of NI 31-103.
4. Under the Interim Decision, section 13.2(2)(b) of NI 31-103 did not apply to a Filer in respect of a client for which the Filer only traded securities referred to in paragraphs 7.1(2)(b) and 7.1(2)(c) of NI 31-103. Paragraph 13.2(2)(b) of NI 31-103 required registrants to take reasonable steps to establish whether their clients were insiders of reporting issuers or any other issuers whose securities were publicly traded.

5. In addition, the Interim Decision revoked an earlier order (the **February 2010 Order**) made on February 26, 2010, *In the Matter of National Instrument 31-103 Registration Requirements and Exemptions and Scotia Securities Inc. and other Mutual Fund Dealers registered as of the date of this decision*.
6. The Interim Decision was issued by the Director on the understanding that it would be reconsidered in the course of the NI 31-103 amendments process.
7. Amendments to NI 31-103 were published on April 15, 2011 and came into force on July 11, 2011. As a result of these amendments, the circumstances previously provided for in the Interim Decision are now addressed in subsection 13.2(7) of NI 31-103.

Decision

The Director is satisfied that it is in the public interest for him to make this decision.

The decision of the Director is that, effective September 16, 2011, the Interim Decision is revoked, except that, for greater certainty, the February 2010 Order remains revoked.

“Erez Blumberger”

Deputy Director, Compliance and Registrant Regulation
Ontario Securities Commission

2.1.17 Scotia Securities Inc. and other Mutual Fund Dealers registered as of November 5, 2010

Headnote

Revocation of prior interim decision of Director dated November 2, 2010, In the Matter of National Instrument 31-103 Registration Requirements and Exemptions and In the Matter of Scotia Securities Inc. and other Mutual Fund Dealers registered as of the date of this decision – Circumstances provided for in the interim decision have now been addressed through an amendment to paragraph 13.2(3)(b)(i) in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations – Before its amendment, paragraph 13.2(3)(b)(i) provided that, for the purposes of establishing the identity of a client that is a corporation, a registrant must establish the identity of any individual who is a beneficial owner of, or exercises direct or indirect control or direction over, more than 10% of the voting rights attached to the outstanding voting securities of the corporation -- Under the interim decision, the specified mutual fund dealer registrants were exempted from paragraph 13.2(3)(b)(i) if the registrant was not registered in any other category of registration (other than mutual fund dealer or both mutual fund dealer and investment fund manager) and the registrant complied with the provisions of the Proceeds of Crime (Money Laundering) and Terrorist Financing Act (Canada) requiring the identification of any person who owned or controlled 25% or more of the shares of a corporation that was a client – Paragraph 13.2(3)(b)(i) of NI 31-103 now provides that, for the purposes of establishing the identity of a client that is a corporation, the registrant must establish the identity of any individual who is a beneficial owner of, or exercises direct or indirect control or direction over, more than 25% of the voting rights attached to the outstanding voting securities of the corporation.

Applicable Legislative Provisions

National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations, ss. 13.2(3), 13.2(3)(b)(i), and 15.1.

Other Statutes Cited

Proceeds of Crime (Money Laundering) and Terrorist Financing Act, S.C. 2000, c. 17.

Decision Cited

In the Matter of National Instrument 31-103 Registration Requirements and Exemptions and In the Matter of Scotia Securities Inc. and other Mutual Fund Dealers registered as of the date of this decision, (2010) 33 OSCB 10162.

September 13, 2011

**IN THE MATTER OF
NATIONAL INSTRUMENT 31-103 REGISTRATION REQUIREMENTS,
EXEMPTIONS AND ONGOING REGISTRANT OBLIGATIONS
("NI 31-103")**

AND

**SCOTIA SECURITIES INC. (the "Lead Filer")
AND OTHER MUTUAL FUND DEALERS REGISTERED AS OF NOVEMBER 5, 2010**

DECISION

Interpretation

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

Background

1. The Lead Filer applied to the Director, under section 15.1 of NI 31-103, for exemptions for the Lead Filer and other mutual fund dealers registered as of November 5, 2010 (together with the Lead Filer, the **Filers** or, individually, a **Filer**) from the know your client requirements in subparagraph 13.2(3)(b)(i) of NI 31-103, subject to certain conditions and restrictions.
2. On November 2, 2010, the Director issued a decision (the **Interim Decision**) under section 15.1 of NI 31-103, *In the Matter of National Instrument 31-103 Registration Requirements and Exemptions and In the Matter of Scotia Securities Inc. and other Mutual Fund Dealers registered as of the date of this decision*, (2010) 33 OSCB 10162.

3. Under the Interim Decision, subparagraph 13.2(3)(b)(i) of NI 31-103 did not apply to a registrant that was a mutual fund dealer in respect of a client that was a corporation, provided that the mutual fund dealer:
 - a. was not registered in any other category of registration other than as a mutual fund dealer or as both a mutual fund dealer and an investment fund manager; and
 - b. complied with the provisions of the *Proceeds of Crime (Money Laundering) and Terrorist Financing Act* (Canada) requiring the identification of any person who owned or controlled 25% or more of the shares of a corporation that was a client.
4. The Interim Decision was issued by the Director on the understanding that it would be reconsidered in the course of the NI 31-103 amendments process.
5. Amendments to NI 31-103 were published on April 15, 2011 and came into force on July 11, 2011. As a result of these amendments, the circumstances previously provided for in the Interim Decision are now addressed in subsection 13.2(3) of NI 31-103.

Decision

The Director is satisfied that it is in the public interest for him to make this decision.

The decision of the Director is that, effective September 16, 2011, the Interim Decision is revoked.

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

2.2 Orders

2.2.1 Sino-Forest Corporation et al. – ss. 127(7), 127(8)

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

AND

**IN THE MATTER OF
SINO-FOREST CORPORATION, ALLEN CHAN,
ALBERT IP, ALFRED C.T. HUNG, GEORGE HO
AND SIMON YEUNG**

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

WHEREAS on August 26, 2011, the Ontario Securities Commission (the “Commission”) issued a temporary cease trade order pursuant to subsections 127(1) and 127(5) of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the “Act”), subsequently varied by the Commission pursuant to an order under section 144(1) of the Act (together the “Temporary Order”), with respect to Sino-Forest Corporation (“Sino-Forest”), Allen Chan (“Chan”), Albert Ip (“Ip”), Alfred C.T. Hung (“Hung”), George Ho (“Ho”) and Simon Yeung (“Yeung”), (collectively the “Respondents”) ordering:

- 1) pursuant to paragraph 2 of section 127(1) of the Act that all trading in the securities of Sino-Forest shall cease (the “General Cease Trade Order”);
- 2) pursuant to paragraph 2 of section 127(1) of the Act that all trading in securities by Chan, Ip, Hung, Ho and Yeung shall cease (the “Individual Respondents’ Cease Trade Order”); and
- 3) pursuant to section 127(6) of the Act that this order shall take effect immediately and shall expire on the fifteenth day after its making unless extended by order of the Commission;

AND WHEREAS on September 2, 2011, the Commission issued a Notice of Hearing to consider, among other things, the extension of the General Cease Trade Order and the Individual Respondents’ Cease Trade Order, to be held on September 8, 2011 at 9:30 a.m. in Hearing Room A of the Commission (the “Notice of Hearing”);

AND WHEREAS the Notice of Hearing sets out that the Hearing is to consider whether it is in the public interest for the Commission:

- 1) to extend the General Cease Trade Order, pursuant to subsections 127(7) and (8) of the Act, until November 23,

2011, or until such further time as considered necessary by the Commission;

- 2) to extend the Individual Respondents’ Cease Trade Order, pursuant to subsections 127(7) and (8) of the Act, until January 25, 2012, or until such further time as considered necessary by the Commission; and

- 3) to make such further orders as the Commission considers appropriate.

AND WHEREAS Staff of the Commission (“Staff”) have served all of the Respondents with copies of the Temporary Order and the Notice of Hearing as evidenced by the Affidavit of Anthony Long, sworn on September 7, 2011, and filed with the Commission;

AND WHEREAS on September 8, 2011, Staff, counsel for Sino-Forest and counsel for Chan appeared before the Commission, and no one appeared for Ip, Hung, Ho and Yeung before the Commission;

AND WHEREAS counsel for Sino-Forest has advised the Commission that Sino-Forest consents to the extension of the General Cease Trade Order until January 25, 2012;

AND WHEREAS counsel for Chan has advised the Commission that Chan consents to the extension of the Individual Respondents’ Cease Trade Order against him until January 25, 2012;

AND WHEREAS each of Ip, Hung, Ho and Yeung has advised Staff that they consent to the extension of the Individual Respondents’ Cease Trade Order against them until January 25, 2012;

AND WHEREAS Staff has presented evidence of conduct that may be harmful to investors and the public interest;

AND WHEREAS satisfactory information that the Temporary Order should not be extended has not been provided to the Commission pursuant to subsection 127(8);

AND WHEREAS the Commission, having considered the evidence and submissions before it, is of the opinion that it is in the public interest to extend the Temporary Order;

IT IS HEREBY ORDERED that pursuant to subsections 127(7) and (8) of the Act the Temporary Order is extended until January 25, 2012.

Dated at Toronto this 8th day of September, 2011.

“Mary G. Condon”

2.2.2 Normand Gauthier et al.

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

AND

**IN THE MATTER OF **
NORMAND GAUTHIER,
GENTREE ASSET MANAGEMENT INC.,
R.E.A.L. GROUP FUND III (CANADA) LP, AND
CANPRO INCOME FUND I, LP

ORDER
(Section 127)

WHEREAS on August 15, 2011, the Ontario Securities Commission (the "Commission") issued a Notice of Hearing for the Commission to consider whether, in the opinion of the Commission, it is in the public interest, pursuant to subsections 127(1), (4), (5), (6), (7) and (8) of the Ontario *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "Act"), for the Commission to issue a temporary order that:

- (a) Pursuant to subsection 127(1)1 of the Act, the registration of Normand Gauthier ("Gauthier") and Gentree Asset Management Inc. ("Gentree") be suspended until the conclusion of the hearing on the merits or until such period as the Commission may order;
- (b) Pursuant to subsection 127(1)2 of the Act, all trading in any securities by Gauthier, Gentree, R.E.A.L. Group Fund III (Canada) LP ("R.E.A.L.") and CanPro Income Fund I, LP ("CanPro") (collectively, "the Respondents") cease until the conclusion of the hearing on the merits or until such period as the Commission may order;
- (c) Pursuant to subsection 127(1)2 of the Act, all trading in securities of Gentree, R.E.A.L. and CanPro cease until the conclusion of the hearing on the merits or until such period as the Commission may order;
- (d) Pursuant to subsection 127(1)3 of the Act, all exemptions contained in Ontario securities law do not apply to the Respondents until the conclusion of the hearing on the merits or until such period as the Commission may order; and
- (e) such other orders as the Commission deems appropriate.

AND WHEREAS on August 17, 2011, on consent of Staff and the Respondents, the Commission ordered,

pursuant to section 127 of the Act (the "Temporary Order") that:

- 1) Pursuant to subsection 127(1)1 of the Act, the registration of Gentree as a dealer in the category of exempt market dealer be suspended;
- 2) Pursuant to subsection 127(1)2 of the Act, all trading in securities of Gentree, R.E.A.L. and CanPro cease;
- 3) Pursuant to subsection 127(1)3 of the Act, all exemptions contained in Ontario securities law do not apply to the Respondents;
- 4) Pursuant to subsection 127(2) of the Act, the following terms and conditions apply to the Respondents and any other related or connected issuers:
 - i. Gauthier may not solicit, raise, or accept any funds or capital from investors;
 - ii. No issuer or registrant related to or connected to Gauthier, including but not limited to Gentree, R.E.A.L. Group Fund III (Canada) LP or CanPro Income Fund I, LP may solicit, raise, or accept any funds or capital from investors;
 - iii. Gauthier and Gentree may not perform any trades involving any related and/or connected issuer;
 - iv. Gentree may not assume any new clients of any kind; and
 - v. No issuer related to or connected to Gauthier may transfer any funds to Gauthier or any person or entity related to or connected to Gauthier.

AND WHEREAS on August 17, 2011, the Commission further ordered that:

- a) the Temporary Order shall remain in effect until such further order of the Commission; and
- b) the hearing be adjourned to a date no later than August 29, 2011, such date to be agreed to by the parties and fixed by the Office of the Secretary for a hearing or for such other purposes as may be requested.

AND WHEREAS on August 29, 2011, on consent of Staff and the Respondents, the Commission ordered, pursuant to section 127 of the Act that:

- 1) the Temporary Order shall remain in effect until such further order of the Commission; and
- 2) the hearing is adjourned to September 8, 2011 at 1:00 p.m. or to such other date or time to be agreed to by the parties and arranged through the Office of the Secretary for a hearing or for such other purposes as may be requested.

AND WHEREAS on September 8, 2011 Staff and the Respondents agreed in writing to adjourn this matter to September 15, 2011 at 10:00 a.m., or to such other date or time to be agreed to by the parties and arranged through the Office of the Secretary for a hearing or for such other purposes as may be requested;

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

IT IS HEREBY ORDERED, pursuant to section 127 of the Act that:

- 1) the Temporary Order shall remain in effect until such further order of the Commission; and
- 2) the hearing is adjourned to September 15, 2011 at 10:00 a.m. or to such other date or time as may be agreed to by the parties and arranged through the Office of the Secretary for a hearing or for such other purposes as may be requested.

DATED at Toronto this 8th day of September, 2011.

“Edward P. Kerwin”

2.2.3 American Heritage Stock Transfer Inc. et al. – s. 127(8)

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

AND

**IN THE MATTER OF
AMERICAN HERITAGE STOCK TRANSFER INC.,
AMERICAN HERITAGE STOCK TRANSFER, INC.,
BFM INDUSTRIES INC., DENVER GARDNER INC.,
SANDY WINICK, ANDREA LEE MCCARTHY,
KOLT CURRY AND LAURA MATEYAK**

**TEMPORARY ORDER
(Subsection 127(8))**

WHEREAS on April 1, 2011, the Ontario Securities Commission (the “Commission”) issued an order pursuant to sections 127(1) and 127(5) of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the “Act”) (the “Temporary Order”) that immediately and for a period of 15 days from the date thereof:

- (a) trading in the securities of BFM Industries Inc. (“BFM”) shall cease;
- (b) all trading by and in the securities of American Heritage Stock Transfer, Inc. (“AHST Nevada”) shall cease;
- (c) all trading by and in the securities of American Heritage Stock Transfer Inc. (“AHST Ontario”) shall cease;
- (d) all trading by and in the securities of Denver Gardner Inc. (“Denver Gardner”) shall cease;
- (e) all trading by Sandy Winick (“Winick”) shall cease;
- (f) all trading by Andrea Lee McCarthy (“McCarthy”) shall cease;
- (g) all trading by Kolt Curry (“Curry”) shall cease; and
- (h) all trading by Laura Mateyak (“Mateyak”) shall cease;

AND WHEREAS the Temporary Order also provided that any exemptions contained in Ontario securities law do not apply to any of the respondents;

AND WHEREAS on April 4, 2011, the Commission issued a Notice of Hearing (the “Notice of Hearing”) to consider the extension of the Temporary Order, to be held on April 14, 2011, at 10:00 a.m.;

AND WHEREAS on April 14, 2011, the Temporary Order was extended until April 28, 2011;

AND WHEREAS on April 27, 2011, the Temporary Order was extended until September 9, 2011;

AND WHEREAS on September 8, 2011, a hearing was held before the Commission and Staff of the Commission ("Staff") appeared and made submissions;

AND WHEREAS BFM did not appear, although properly served with the Notice of Hearing;

AND WHEREAS Denver Gardner and Winick did not appear and the Commission was satisfied that reasonable efforts had been made by Staff to serve Denver Gardner and Winick with notice of the hearing;

AND WHEREAS Staff advised the Commission that counsel for the respondent Andrea McCarthy consented on behalf of her client to the continuation of the Temporary Order;

AND WHEREAS Staff advised the Commission that counsel for the respondents Curry, Mateyak and AHST Ontario took no position on the continuation of the Temporary Order;

AND WHEREAS Staff advised the Commission that the Respondent Curry took no position on the continuation of the Temporary Order as against AHST Nevada, of which he is a director;

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

IT IS HEREBY ORDERED that:

- (1) The Temporary Order is extended until November 24, 2011, or until further order of the Commission; and
- (2) This matter shall return before the Commission on November 23, 2011, at 10:00 a.m. or on such other date or time as specified by the Secretary's Office and agreed to by the parties.

DATED at Toronto this 8th day of September, 2011.

"Christopher Portner"

2.2.4 Alexander Christ Doulis et al. – s. 127

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

AND

**IN THE MATTER OF
ALEXANDER CHRIST DOULIS
(aka ALEXANDER CHRISTOS DOULIS,
aka ALEXANDROS CHRISTODOULIDIS)
and LIBERTY CONSULTING LTD.**

ORDER (Section 127 of the Act)

WHEREAS on January 14, 2011, the Ontario Securities Commission (the "**Commission**") issued a Notice of Hearing, returnable on March 10, 2011, in relation to a Statement of Allegations brought by Staff of the Commission ("**Staff**") with respect to Alexander Christ Doulis (also known as Alexander Christos Doulis, also known as Alexandros Christodoulidis) ("**Doulis**") and Liberty Consulting Ltd. ("**Liberty**");

AND WHEREAS Staff alleges, in the Statement of Allegations, that: (i) between January 1, 2004 and September 2010, Doulis and Liberty (together, the "**Respondents**") engaged in the business of advising with respect to investing in, buying or selling securities without being registered in accordance with Ontario securities law in any category of adviser, contrary to subsection 25(3) of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "**Act**") (previously subsection 25(1)(c) of the Act); and (ii) between July 2009 and September 2010, Doulis made statements to Staff that, in a material respect and at the time and in light of the circumstances under which they were made, were misleading or untrue or did not state facts that were required to be stated or that were necessary to make the statements not misleading, contrary to subsection 122(1)(a) of the Act;

AND WHEREAS at the hearing on March 10, 2011 (the "**Hearing**"), the Commission considered an application brought by Staff (the "**Application**") for a temporary order ("**Temporary Order**") pursuant to section 127 of the Act, that, until the completion of the hearing on the merits in this matter (the "**Merits Hearing**"): (i) Doulis and Liberty cease trading and acquiring any securities except for the benefit of Doulis personally or that of his spouse, Sally Doulis; (ii) any exemptions available in the Act do not apply to Doulis and Liberty; and (iii) such other terms as the Commission may find appropriate;

AND WHEREAS at the Hearing on March 10, 2011, Staff and Doulis appeared before the Commission and gave evidence and made submissions with respect to the Application;

AND WHEREAS, having considered the evidence given and the submissions made at the Hearing, for the reasons issued on September 6, 2011, it is the opinion of

the Commission that it is in the public interest to issue the Temporary Order requested by Staff;

IT IS ORDERED THAT:

1. Pursuant to paragraph 2 of subsection 127(1) of the Act and subsection 127(2) of the Act, Doulis and Liberty shall cease trading in any securities, except for the benefit of Doulis personally or that of his spouse, Sally Doulis;
2. Pursuant to paragraph 3 of subsection 127(1) of the Act, any exemptions contained in Ontario securities law do not apply to Doulis and Liberty; and
3. This Order shall take effect immediately and remain in effect until the completion of the Merits Hearing or until further order of the Commission.

DATED at Toronto this 9th day of September, 2011.

“Christopher Portner”

“Paulette L. Kennedy”

2.2.5 Energy Syndications Inc. et al. – ss. 127(1), 127(8)

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

AND

**IN THE MATTER OF
ENERGY SYNDICATIONS INC.,
GREEN SYNDICATIONS INC.,
SYNDICATIONS CANADA INC.,
LAND SYNDICATIONS INC. AND
DOUGLAS CHADDOCK**

**TEMPORARY ORDER
(Subsections 127(1) & 127(8))**

WHEREAS on April 1, 2011, the Ontario Securities Commission (the “Commission”) issued a temporary cease trade order (the “Temporary Order”) pursuant to subsections 127(1) and 127(5) of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the “Act”) ordering the following:

1. pursuant to clause 2 of subsection 127(1) and subsection 127(5) of the Act that all trading in any securities of Energy Syndications Inc. (“Energy”), Syndications Canada Inc. (“Syndications”), Green Syndications Inc. (“Green”) and Land Syndications Inc. (“Land”) shall cease;
2. pursuant to clause 2 of subsection 127(1) and subsection 127(5) of the Act that all trading in any securities by Energy, Syndications, Green and Land or their agents or employees shall cease;
3. pursuant to clause 2 of subsection 127(1) and subsection 127(5) of the Act that all trading in any securities by Douglas Chaddock (“Chaddock”) shall cease;
4. pursuant to clause 3 of subsection 127(1) and subsection 127(5) of the Act that the exemptions contained in Ontario securities law do not apply to Energy, Syndications, Green and Land or their agents or employees; and
5. pursuant to clause 3 of subsection 127(1) and subsection 127(5) of the Act that the exemptions contained in Ontario securities law do not apply to Chaddock;

AND WHEREAS the Commission ordered that pursuant to subsection 127(6) of the Act, the Temporary Order shall expire on the fifteenth day after its making unless extended by order of the Commission;

AND WHEREAS on April 7, 2011, the Commission issued a Notice of Hearing (the "Notice of Hearing") to consider the extension of the Temporary Order, to be held on April 14, 2011 at 11:00 a.m.;

AND WHEREAS Staff of the Commission ("Staff") served the respondents with copies of the Temporary Order, the Notice of Hearing and Staff's supporting materials as evidenced by Affidavits of Service filed with the Commission;

AND WHEREAS the Commission held a hearing on April 14, 2011 and counsel for Energy, Green, Syndications and Chaddock attended the hearing;

AND WHEREAS Staff advised the Panel that it was not seeking to continue the Temporary Order as against Land;

AND WHEREAS counsel for Energy, Green, Syndications and Chaddock advised the Panel that they did not oppose the extension of the Temporary Order;

AND WHEREAS on April 14, 2011 the Commission ordered that:

1. The Temporary Order is extended until June 24, 2011, or until further order of the Commission;
2. The Temporary Order is not extended against Land; and
3. The extension of the Temporary Order shall not affect the right of any respondent to apply to the Commission under section 144 of the Act to revoke or vary this order upon five days written notice to Staff of the Commission;

AND WHEREAS on April 14, 2011 the Commission further ordered that the hearing be adjourned to June 22, 2011 at 10:00 a.m.;

AND WHEREAS the Commission held a hearing on June 22, 2011 to consider an extension of the Temporary Order;

AND WHEREAS counsel for Energy, Green, Syndications and Chaddock attended the hearing and advised the Panel that they did not oppose the extension of the Temporary Order;

AND WHEREAS on June 22, 2011 the Commission ordered that:

1. The Temporary Order is extended until September 9, 2011, or until further order of the Commission;
2. The extension of the Temporary Order does not prohibit Green from engaging in the sale of goods provided that any sales

agreement does not constitute an investment contract, as defined by Ontario securities law; and

3. The extension of the Temporary Order shall not affect the right of any respondent to apply to the Commission under section 144 of the Act to revoke or vary this order upon five days written notice to Staff of the Commission;

AND WHEREAS on June 22, 2011 the Commission further ordered that the hearing be adjourned to September 8, 2011 at 11:00 a.m.;

AND WHEREAS the Commission held a hearing on September 8, 2011 to consider the extension of the Temporary Order;

AND WHEREAS counsel for Energy, Green, Syndications and Chaddock attended the hearing and advised that they did not oppose the extension of the Temporary Order;

AND WHEREAS the Panel considered the submissions from Staff and counsel for Energy, Green, Syndications and Chaddock and the Commission is of the opinion that it is in the public interest to make this order;

IT IS HEREBY ORDERED that:

1. The Temporary Order against Energy, Green, Syndications and Chaddock is extended until March 9, 2012 or until further order of the Commission;
2. The extension of the Temporary Order does not prohibit Green from engaging in the sale of goods provided that any sales agreement does not constitute an investment contract, as defined by Ontario securities law; and
3. The extension of the Temporary Order shall not affect the right of any respondent to apply to the Commission under section 144 of the Act to revoke or vary this order upon five days written notice to Staff of the Commission;

IT IS FURTHER ORDERED that the hearing of this matter is adjourned to March 8, 2012 at 10:00 a.m. or on such other date or time as provided by the Secretary's Office and agreed to by the parties.

DATED at Toronto this 8th day of September, 2011.

"Christopher Portner"

Chapter 3

Reasons: Decisions, Orders and Rulings

3.1 OSC Decisions, Orders and Rulings

3.1.1 Alexander Christ Doulis et al. – s. 127

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

AND

IN THE MATTER OF
ALEXANDER CHRIST DOULIS
(aka ALEXANDER CHRISTOS DOULIS,
aka ALEXANDROS CHRISTODOULIDIS)
and LIBERTY CONSULTING LTD.

REASONS AND DECISION
ON AN APPLICATION FOR A TEMPORARY ORDER
(Section 127 of the Act)

Hearing: March 10, 2011

Decision: September 9, 2011

Panel: Christopher Portner – Commissioner and Chair of the Panel
Paulette L. Kennedy – Commissioner

Counsel: Sean Horgan – For Staff of the Ontario Securities Commission
John Eversley – For Alexander Doulis and Liberty Consulting Ltd.

TABLE OF CONTENTS

- I. BACKGROUND
 - A. THE APPLICATION
 - B. THE HEARING
- II. THE ISSUE
- III. POSITIONS OF THE PARTIES
 - A. STAFF
 - 1. Unregistered Advising
 - 2. Misleading Staff
 - 3. Summary of Staff's Position
 - B. THE RESPONDENTS
- IV. THE LAW
 - A. THE COMMISSION'S PUBLIC INTEREST MANDATE
 - B. TEMPORARY ORDERS
 - C. THE REGISTRATION REQUIREMENT FOR ADVISERS
 - D. MISLEADING STAFF
- V. ANALYSIS
- VI. CONCLUSION

REASONS AND DECISION

I. BACKGROUND

A. The Application

[1] This is an application (the “**Application**”) for a temporary order (“**Temporary Order**”) pursuant to section 127 of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the “**Act**”) that, until the completion of the hearing on the merits in this matter (the “**Merits Hearing**”): (i) Alexander Christ Doulis (also known as Alexander Christos Doulis, also known as Alexandros Christodoulidis) (“**Doulis**”) and Liberty Consulting Ltd. (“**Liberty**”) cease trading in and acquiring any securities except for the benefit of Doulis personally or that of his spouse, Sally Doulis; (ii) any exemptions contained in Ontario securities law do not apply to Doulis and Liberty (the “**Respondents**”); and (iii) such other terms as the Commission may consider appropriate.

[2] On January 14, 2011, the Ontario Securities Commission (the “**Commission**”) issued a Notice of Hearing in relation to a Statement of Allegations brought by Staff of the Commission (“**Staff**”). Staff alleges that:

- (a) between January 1, 2004 and September 2010 (the “**Material Time**”), Doulis and Liberty engaged in the business of advising with respect to investing in, buying or selling securities without being registered in accordance with Ontario securities law in any category of adviser, contrary to subsection 25(1)(c) of the Act (in force until September 28, 2009) and subsection 25(3) of the Act (in force as of September 28, 2009); and
- (b) between July 2009 and September 2010, Doulis made statements to Staff that in a material respect and at the time and in light of the circumstances under which they were made, were misleading or untrue or did not state facts that were required to be stated or that were necessary to make the statements not misleading, contrary to subsection 122(1)(a) of the Act.

[3] As Staff did not obtain a Temporary Order on an *ex parte* basis under subsection 127(5) of the Act, this Application, brought at the first appearance in this proceeding, provides the first opportunity for the Commission to consider whether it is in the public interest to issue a Temporary Order with respect to the Respondents.

B. The Hearing

[4] At the hearing of the Application (the “**Hearing**”), Staff provided Written Submissions and a Brief of Authorities in support of the Application, as well as the Affidavit of Larry Masci (“**Masci**”), a Senior Investigator with Staff, sworn February 17, 2011, with two binders of exhibits attached, and Masci’s Supplementary Affidavit, sworn March 3, 2011, with several exhibits attached (together, the “**Masci Evidence**”).

[5] The Respondents provided an Affidavit by Doulis, sworn March 8, 2011, with several exhibits attached (the “**Doulis Affidavit**”). Doulis was cross-examined on his Affidavit at the Hearing. We also heard oral evidence from two investors, Investor One and Investor Two. Investor One provided a letter in support of Doulis (the “**Investor One Letter**”). Doulis provided an invoice sent to an investor who did not testify (the “**February 2011 Invoice**”).

[6] Counsel for Staff and the Respondents then made closing arguments.

[7] We reserved our decision at the close of the Hearing.

II. THE ISSUE

[8] The issue before us is whether it is in the public interest to issue an Order, effective until the completion of the Merits Hearing, that: (i) the Respondents cease trading and acquiring any securities except for the benefit of Doulis personally or that of his spouse, Sally Doulis; (ii) any exemptions under the Act do not apply to the Respondents; and (iii) such other terms as the Commission may consider appropriate.

III. POSITIONS OF THE PARTIES

A. Staff

1. Unregistered Advising

[9] Staff submits that the Masci Evidence demonstrates that during the Material Time, Doulis, directly and indirectly through Liberty and Paladin Trust (“**Paladin**”), made recommendations to buy or sell various securities, executed those trades on behalf of his clients and invoiced his clients in the expectation of being paid for his services. Doulis, a former registrant, was not registered with the Commission in any capacity during the Material Time.

[10] Specifically, Staff submits, based on the Masci Evidence and the evidence given at the Hearing, that:

- (i) Liberty is the sole asset owned by Paladin. Doulis caused Paladin to be created and is named as the only eligible beneficiary in its trust indenture.
- (ii) Doulis is the directing mind of Liberty. Doulis has, at various times, referred to himself as an officer, sole director, President, beneficial owner, shareholder or sole shareholder of Liberty.
- (iii) Liberty's registered office address is a unit in a residential condominium on Frederick Street in Toronto which is owned by Minotaur Capital Corporation ("**Minotaur**") and rented to Liberty (the "**Liberty Office Address**"). Sally Doulis is an officer, director and President of Minotaur. Doulis acknowledged that he resides at the Liberty Office Address, but does not own it.
- (iv) Liberty is a company incorporated pursuant to the laws of the Turks and Caicos Islands. Doulis had signing authority over two Liberty bank accounts in the Turks and Caicos Islands (the "**Liberty Bank Accounts**"). Doulis caused a brokerage account for Liberty to be opened in the Isle of Man for which he had full discretionary trading authority.
- (v) During the Material Time, Doulis held powers of attorney (the "**Powers of Attorney**") over the brokerage accounts (the "**Client Accounts**") of twelve individuals and corporations (the "**Clients**") at Desjardins Securities ("**Desjardins**"). The Powers of Attorney authorized Doulis to make all trading decisions and issue trading instructions in respect of the Client Accounts.
- (vi) Doulis personally managed the Client Accounts on behalf of the Clients who relied on him to make and execute all investment decisions.
- (vii) Doulis charged the Clients for services variously described as investment oversight, portfolio services and investment management services. On Doulis's instructions, the Clients paid for Doulis's services by making payments to the Liberty Bank Accounts for which Doulis had signing authority.
- (viii) In addition to payments he receives from the Clients, Doulis advised Staff that he receives a yearly flat fee of \$12,000 from Liberty. He also receives the benefit of the use of the Liberty Office Address, and he is the sole beneficiary of Paladin, which, as noted above, owns Liberty.
- (ix) In early 2010, Desjardins revoked the Powers of Attorney. Doulis instructed the Clients to move their brokerage accounts to different brokerages and to give him power of attorney with respect to their new accounts. Many of the Clients followed this instruction. Doulis has continued his advisory activities for the Clients at other financial institutions.

2. Misleading Staff

[11] Staff submits that Doulis actively misled Staff, with the intention of obstructing the Commission's investigation and covering up his conduct, in a voluntary interview conducted by Staff of the Commission and Staff of the Investment Industry Regulatory Organization of Canada ("**IIROC Staff**") on July 15, 2009, in a compelled examination conducted by Staff under the authority of section 13 of the Act on July 13, 2010 (the "**Compelled Examination**") and in a letter to Staff dated September 17, 2009 (the "**Doulis Letter**").

[12] Staff states that it is particularly concerned about Doulis's statements about his role with Liberty and about his remuneration. Staff alleges that Doulis made a number of false and misleading statements, including that:

- (i) he had a very limited role with Liberty;
- (ii) he did not send, nor was he aware that anyone had sent, invoices to the Clients for his services;
- (iii) he did not know what remuneration Liberty received for his services; and
- (iv) he was not being paid directly or indirectly by any of the Clients.

3. Summary of Staff's Position

[13] Staff submits that the evidence demonstrates that the Respondents were engaged in the business of advising with respect to securities without the appropriate registration. Further, Staff submits that there are a number of aggravating factors that are relevant to the Application, namely, that:

- (i) Doulis was a former registrant;
- (ii) the conduct at issue occurred over a number of years;
- (iii) Doulis went to great lengths to shield his activities from regulatory oversight;
- (iv) the false and/or misleading statements arose in the context of Staff's investigation of the Respondents; and
- (v) the conduct has continued since Doulis became aware of Staff's investigation.

B. The Respondents

[14] In the Doulis Affidavit, Doulis stated, amongst other things, that:

- (i) Only his wife and five other residents of Ontario (the "**Ontario Clients**") have given him authority to trade securities in their accounts, and each of them had a real and substantial personal relationship with his family long before providing the trading authorization and instructions.
- (ii) He does not have a power of attorney over any of the Clients' accounts, and does not have authority to withdraw or transfer money from any of the Clients' accounts. Rather, the Clients have given the brokerage firm a trading authorization over their accounts, matched with specific instructions to be used by him in causing securities to be bought and sold pursuant to the trading authorization.
- (iii) None of the Clients has given him money to invest for them in any business or trading account or system that belongs to him; in each case, the funds and the securities are placed in a brokerage accounts owned by the Client.
- (iv) He does not "pick" stocks or make individual decisions about what should be bought or sold because the Clients tell him what criteria to apply.
- (v) There is no suggestion that he is dishonest and there has never been a complaint about him to the Commission, any brokerage firm, any stock exchange or any other self-regulatory organization.
- (vi) There is no suggestion that he is incompetent. Doulis claims that he is "fully trained and qualified as a CFA [Chartered Financial Analyst]" and that he "completed the training and successfully passed a directors and officers examination and had many years of experience as an analyst before retiring to pursue other interests".
- (vii) There is no suggestion that anyone has suffered any loss as a result of his activities or will suffer any loss if he continues. The Clients' accounts have outperformed the market in every year since they provided the trading authorizations.

[15] At the outset of the Hearing, Counsel for Doulis read in four admissions to which Doulis had agreed:

- (i) Doulis is compensated by Liberty for formulating advice and recommendations for Liberty's clients who are not residents of Canada ("**Non-Resident Clients**");
- (ii) The Ontario Clients have a substantial connection to Doulis and his family that transcends the arrangement about how trades are directed in their accounts;
- (iii) The Ontario Clients "piggyback" on advice Doulis provides to Non-Resident Clients. Although the aggregate value of the individual Client Accounts varies, the trading activity is "directly piggybacked" on the advice and recommendations formulated for the Non-Resident Clients; and
- (iv) For the ability to "piggyback" on the advice formulated for the Non-Resident Clients, the Ontario Clients compensate Liberty at the rate of 0.5 percent of their account balances at the end of the year.

[16] Doulis believes his activities are not "off-side". He submits that he is not "recommending" or "advising" in a manner that the Act and Regulations were designed to prevent or prohibit or that offends the public policy objectives underlying the registration requirement.

[17] At the Hearing, Doulis testified that he became the sole director and shareholder of Liberty in 2002. He admitted that he was President of Liberty in April 2005, as indicated on a corporate resolution of that date. He admitted that while he was

President and sole director of Liberty, he provided investment advice to Investor One and Investor Two and then invoiced them, and they paid Liberty for his services. He acknowledged that he had sole control over the Liberty Accounts, but testified that he acted only as Liberty's agent in Canada. He also testified that he was not a resident of Canada at that time. When he returned to Canada in August 2005, he sold Liberty to Paladin, of which he is the only eligible beneficiary.

[18] Counsel for Doulis submitted that the Commission has discretion whether to issue the Temporary Order requested, and summed up his client's position as follows:

How is it that the public interest is served by the Ontario Securities Commission creating a precedent that says even where there's skill and ability, and training, and expertise, and good results, and no complaints, and no allegations of dishonesty or theft or any kind of a loss, that no person can ever have more than one trading authority and then only if it's their spouse?

(Hearing Transcript, March 10, 2011, p. 17).

[19] With respect to Staff's request for a Temporary Order, Doulis submits that there is no urgency in this case, since the Statement of Allegations was not issued until January 2011, some two-and-a-half years after Desjardins Securities first examined the matter in mid-2008. He also states that both Desjardins and IIROC closed their files after examining his conduct. He submits there is no danger to the Clients or the capital markets of Ontario if he is permitted to continue his activities pending the completion of the Merits Hearing.

IV. THE LAW

A. The Commission's Public Interest Mandate

[20] Section 1.1 of the Act states that the purposes of the Act are:

- (a) to provide protection to investors from unfair, improper or fraudulent practices; and
- (b) to foster fair and efficient capital markets and confidence in capital markets.

[21] Section 2.1 of the Act states that the primary means for achieving the purposes of the Act include imposing "restrictions on fraudulent and unfair market practices and procedures" and "requirements for the maintenance of high standards of fitness and business conduct to ensure honest and responsible conduct by market participants" (paragraph 2).

[22] The Supreme Court of Canada has recognized that the "primary goal of securities legislation is the protection of the investing public" and that to achieve this goal the Commission has accorded "a very broad discretion to determine what is in the public's interest" (*Pezim v. British Columbia (Superintendent of Brokers)*, [1994] 2 S.C.R. 557, at paragraphs 68 and 71; *Committee for the Equal Treatment of Asbestos Minority Shareholders v. The Queen in right of Quebec et al.*, [2001] 2 S.C.R. 132, at paragraph 39). This broad discretion allows the Commission to intervene whenever the conduct is contrary to the public interest, even when there is no specific breach of the Act (*Re Canadian Tire Corp.* (1987), 10 O.S.C.B. 857 ("**Canadian Tire**"), at paragraphs 124-126).

B. Temporary Orders

[23] The Commission has observed that the dynamism and innovation of the capital markets can, and does, lead to abuse. As such, a "regulatory agency charged with oversight of the capital markets must have the capacity to move quickly to stop transactions which it considers to be injurious to the capital markets" (*Canadian Tire, supra*, at paragraph 127).

[24] To ensure that the Commission is able to intervene in a timely manner to protect investors and the capital markets, subsection 127(5) authorizes the Commission to issue a temporary cease trade order, "if in the opinion of the Commission the length of time required to conclude a hearing could be prejudicial to the public interest."

[25] In *Re Valentine* (2002), 25 O.S.C.B. 5329 ("**Valentine**") the Commission made the following statement about the criteria for extending a temporary order:

Section 127(7) provides the Commission with the discretion to extend a temporary order. That discretion, to promote and protect the public interest, is very broad. Having regard to the legislative scheme as contained in s. 127, as well as the length of time required to conclude a hearing in this matter, we must satisfy ourselves, at this time, that there is sufficient evidence of conduct which may be harmful to the public interest.

In exercising its regulatory authority, the Commission should consider all of the facts including, as part of its sufficiency consideration, the seriousness of the allegations and the evidence supporting them. The Commission should also consider any explanations or evidence that may contradict such evidence. This will allow it to weigh the threat to the public interest against the potential consequences of the order.

(*Valentine, supra*, at paragraphs 26-27)

[26] The Commission has also stated that to obtain a temporary order, Staff's evidence "may fall short of what would be required in a hearing on the merits", but must be "more than mere suspicion or speculation" (*Re Watson* (2008), 31 O.S.C.B. 705, at paragraph 41).

C. The Registration Requirement for Advisers

[27] The Act prohibits a person or company from engaging in the business of advising anyone with respect to investing in, buying or selling securities unless the person or company is registered with the Commission as an advisor (subsection 25(1)(c) of the Act as it read prior to September 28, 2009; subsection 25(3) of the amended Act, which came into force on September 28, 2009). "Adviser" is defined in subsection 1(1) of the Act as "a person or company engaging in or holding himself, herself or itself out as engaging in the business of advising others as to the investing in or the buying or selling of securities".

[28] A person is acting as an adviser if the person (i) offers an opinion about an issuer or its securities, or makes a recommendation about an investment in an issuer or its securities, and (ii) if the opinion or recommendation is offered in a manner that reflects a business purpose. A person who does nothing more than provide factual information about an issuer is not advising in securities, but a person who recommends an investment is advising in securities (*Re Donas*, [1995] 14 B.C.S.C.W.S. 39, at p. 5; *Re Maguire* (1995), 18 O.S.C.B. 4623, at pp. 2-3 ("*Maguire*"); *Re First Federal Capital (Canada) Corp.* (2004), 27 O.S.C.B. 1603 ("*First Federal*"), at paragraphs 28-29).

[29] As the Commission stated in *Re Costello* (2003), 26 O.S.C.B. 1617 ("*Costello*"), "[t]he trigger for registration as an adviser is not doing one or more acts that constitute the giving of advice, but engaging in the business of advising". Remuneration or expected remuneration, whether direct or indirect, reflects a business purpose (*Costello, supra*, at paragraphs 25 and 34-35; *Maguire, supra*, at pp. 2-3; *First Federal, supra*, at paragraph 29).

[30] It is because advising involves offering an opinion or recommendation to others that the Act requires advisers to be registered with the Commission and to meet certain conditions as to their education and experience. In *Gregory & Co. v. Quebec Sec. Commission* (1961), 28 D.L.R. (2) 721 ("*Gregory*"), at p. 725, the Supreme Court of Canada held that:

The paramount object of the Act is to ensure that persons who, in the province, carry on the business of trading in securities or acting as investment counsel, shall be honest and of good repute and, in this way, to protect the public, in the Province or elsewhere, from being defrauded as a result of certain activities initiated in the Province by persons therein carrying on such a business.

D. Misleading Staff

[31] Subsection 122(1)(a) of the Act states that "every person or company that makes a statement in any material, evidence or information submitted to ... any person appointed to make an investigation or examination under this Act that, in a material respect and at the time and in the light of the circumstances under which it is made, is misleading or untrue or does not state a fact that is required to be stated or that is necessary to make the statement not misleading" is guilty of an offence.

V. ANALYSIS

[32] Doulis relies on section 35.2 of the Act, which states:

The regulations shall provide that a person or company is exempt from the requirement to be registered under this Act to act as a dealer or adviser, as the case may be, if the person or company acts as a dealer or adviser in a jurisdiction outside Canada.

[33] It appears that Doulis has arranged his affairs in an attempt to ensure he is not a resident of Canada for tax purposes, and believes that by the same means he has made himself exempt from the registration requirement under Ontario securities law. Although it appears to us, based on the evidence and submissions we heard, that Doulis is acting as an adviser in Ontario, we heard no submissions on the application of section 35.2 in this case, and therefore we make no finding. That is an issue to be decided at the Merits Hearing.

[34] Nonetheless, we are troubled by the evidence we heard about Doulis's conduct in this matter, especially the evidence of his dissembling and lack of co-operation in dealing with IIROC Staff and Staff of the Commission. Doulis displayed the same attitude in his testimony before us.

[35] For example, it appears to us, based on the evidence available to us at the Hearing, that Doulis has made a number of false and misleading statements about the remuneration he receives for his services:

- (i) In the Doulis Letter, Doulis told Staff "I am receiving no compensation".
- (ii) In his Compelled Examination, given under oath, Doulis gave the following answers to Staff:

Q. So what happens when they [the bonds] come due? Explain that to me.

A. What happens is the company pays off the interest and principal that it owes the client. There is now a client – a cash amount in the client's account. I get copies of all of the transactions. So, therefore, I see that this bond has been redeemed.

Q. And does the client pay you for that?

A. No.

Q. Does anyone send the client an invoice?

A. No, not that I know of.

(Transcript of Compelled Examination, July 13, 2010, p. 40, Questions 219-222)

Q. . . . Do you ever send clients any form of invoice?

A. No.

Q. Do they ever send you any type of monies?

A. No.

Q. Are your clients aware of Liberty?

A. I don't know.

(Transcript of Compelled Examination, July 13, 2010, p. 60, Questions 312-314)

[36] As stated at paragraph 15 above, Doulis admitted at the Hearing that he is compensated by Liberty for formulating advice and recommendations for Liberty's Non-Resident Clients and that Liberty is compensated by the Ontario Clients at the rate of 0.5% of the year-end account balance "for the ability to "piggyback" on the advice formulated for the Non-Resident Clients".

[37] Doulis continues to take the position that he is not compensated by the Ontario Clients for giving investment advice. When asked at the Hearing whether the answers given to Staff, set out at paragraph 35 above, were not misleading, Doulis presented the February 2011 Invoice, which was sent to one of his Ontario Clients, and noted that it was printed on Liberty letterhead. The invoiced amount was 0.5% of the year-end balance of the investor's portfolio. Doulis's position is that when he invoices his Ontario Clients, he is simply acting as Liberty's agent in Canada, and not acting on his own behalf.

[38] Investor One testified that the February 2011 Invoice was "briefer, but ... in principle probably the same" as the invoices she received from Doulis. Investor One testified that Doulis has been providing investment advice to her since 2002, but did not charge a fee until 2005. At the end of every year since then, Doulis has invoiced her for 0.5% of the value of her portfolio. She confirmed the same in the Investor One Letter, which stated "I pay Alex a minimal service fee of 0.5% of the value of my portfolio".

[39] Investor Two testified that Doulis began charging for his investment advice in 2004 or 2005, about a year after he began advising her. She identified an invoice she had received from Doulis on Liberty letterhead, dated February 3, 2006, in the amount of 0.5% of the year-end balance of her portfolio. The instructions were to wire-transfer the funds to a bank on the Isle of Man, "For payment to Doulis."

[40] In cross-examination at the Hearing, Doulis admitted that he had failed to advise Staff that he had been a director of Liberty when asked under oath, during his Compelled Examination, to describe his role with Liberty. Doulis failed to produce corporate documents relating to Liberty and Minotaur that Staff had required him to produce under the authority of section 13 of the Act. Doulis explained to Staff that he had not produced the documents because he was not an officer, director or employee of either company.

[41] Doulis also failed to advise Staff that he directed payment of rent to Minotaur on behalf of Liberty for the Liberty Office Address, where, as he described it at the Hearing, he is "squatting". Doulis admitted that he sleeps at the Liberty Office Address every night and "resides" there in the "literal" sense. Doulis's evasive evidence on this issue can be seen from the following excerpt from the Hearing Transcript:

- Q. If I can direct you to tab C in that same binder.
- A. "C"?
- Q. Yes. It appears to be a letter there that you've written to a Mark Wilkinson, dated December 1, 2005, on Liberty Consulting letterhead.
- A. Yes?
- Q. It's signed Alex Doulis as director?
- A. I was at one point in time a director of Liberty Consulting, this is true.
- Q. Did you sign that letter and send that letter?
- A. Yes.
- Q. At the time you signed and sent it you were a director of Liberty Consulting?
- A. True.
- Q. It has an address of [redacted] Frederick Street, Toronto. That is the address that you're residing at presently?
- A. I am squatting at that address.
- Q. What do you mean by "squatting", sir?
- A. I pay no rent, I do not own the property. The property is the offices of Liberty Consulting, and I, therefore, squat in the offices of Liberty Consulting.
- Q. Well, you sleep there every night, right?
- A. Yes.
- Q. You reside there?
- A. I beg your pardon.
- Q. You reside there?
- A. "Residence" in the legal sense or in a literal sense?
- Q. In the literal sense, sir.
- A. In the literal sense. In the literal sense, yes. If I may – excuse. At the time this letter was written I was residing on a boat in the Mediterranean.
- Q. And the owner of the residence at [redacted] Frederick Street, Unit [redacted], is Minotaur Capital Corporation?
- A. That is correct.

- Q. And your wife is the President and director of that corporation?
- A. She is. And a major shareholder.
- Q. And Liberty Consulting pays rent on an annual basis to Minotaur Capital Corporation --
- A. That is correct.
- Q. -- for that address at [redacted] Frederick Street?
- A. That is correct.

(Hearing Transcript, March 10, 2011, at pp. 55-57)

[42] Doulis appears to have the impression that he has outsmarted securities regulators and avoided the application of Ontario securities laws by virtue of the way he has arranged his affairs.

[43] Considering the substance and reality of Doulis's activities, it appears to us that Doulis is giving investment advice to the Ontario Clients and that they are paying him for that advice, although indirectly, through Liberty.

[44] The issue before us in this Hearing is whether there is sufficient evidence of conduct that may be harmful to the public interest to justify our issuing a Temporary Order against Doulis and Liberty. Doulis says there is not, because, amongst other reasons, there is no suggestion that he is dishonest or incompetent, or that anyone has suffered any loss as a result of his activities or will do so if he continues. What Doulis's position ignores is that the Commission is given the responsibility by statute to "provide protection to investors from unfair, improper or fraudulent practices" and to "foster fair and efficient capital markets and confidence in capital markets" (section 1.1 of the Act). The Act also states that the Commission "shall have regard" to certain fundamental principles in pursuing the purposes of the Act, including using "the enforcement capability and regulatory expertise of recognized self-regulatory organizations" like IIROC (section 2.1 of the Act, clause 4). Further, the Act stipulates that the "primary means" for achieving its purposes include "requirements for the maintenance of high standards of fitness and business conduct to ensure honest and responsible conduct by market participants" (section 2.1 of the Act, clause 2(iii)). As stated in *Gregory* and many other cases, the Act's requirements for registration are critical to the Commission's ability to protect investors and ensure that those who participate in Ontario's capital markets on behalf of investors meet the required standards for proficiency, solvency and integrity.

[45] Neither Doulis nor anyone else is exempt from the registration requirement on the basis that so far no investor has lost any money or complained to securities regulators. It is common ground in this case that Doulis's Ontario Clients are unsophisticated investors. It appears to us, based on what we heard at the Hearing, that such investors are the intended beneficiaries of the Act's registration requirements and Doulis's activities may be harmful to the public interest. We find that Doulis's behaviour, especially his unwillingness to co-operate with Staff of the Commission and his unforthcoming approach in giving his evidence before us in this Hearing, are not what the Commission expects from participants in Ontario's capital markets. We have sufficient concern that we are persuaded the public interest requires us to issue a Temporary Order that Doulis and Liberty shall cease trading in any securities, except for the benefit of Doulis personally or that of his spouse, Sally Doulis, and that any exemptions contained in Ontario securities law do not apply to Doulis and Liberty. However, in the absence of any submissions from either Staff or the Respondents with respect to whether we have authority, under subsection 127(5) of the Act, to issue a temporary order prohibiting the acquisition of securities, no order will be issued under paragraph 2.1 of subsection 127(1) of the Act.

VI. CONCLUSION

[46] For the reasons given, a Temporary Order will issue, as requested by Staff, stating that:

1. Pursuant to paragraph 2 of subsection 127(1) of the Act and subsection 127(2) of the Act, Doulis and Liberty shall cease trading in any securities, except for the benefit of Doulis personally or that of his spouse, Sally Doulis;
2. Pursuant to paragraph 3 of subsection 127(1) of the Act, any exemptions contained in Ontario securities law do not apply to Doulis and Liberty; and
3. This Order shall take effect immediately and remain in effect until the completion of the Merits Hearing or until further order of the Commission.

[47] Staff and the Respondents should contact the Office of the Secretary to set a date for the next appearance in this matter.

DATED at Toronto this 9th day of September, 2011.

“Christopher Portner”
Christopher Portner

“Paulette L. Kennedy”
Paulette L. Kennedy

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
Hotline to HR Inc.	02 Sept 11	14 Sep 11		16 Sep 11
Healthscreen Solutions Incorporated	02 Sept 11	14 Sep 11	14 Sep 11	

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

THERE ARE NO ITEMS FOR THIS WEEK.

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

THERE ARE NO ITEMS FOR THIS WEEK.

This page intentionally left blank

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
08/15/2011	13	Abzu Gold Ltd. - Investment Trust Interests	3,462,224.35	5,326,499.00
08/31/2011	54	ACM Commercial Mortgage Fund - Units	2,110,051.57	18,686.00
08/19/2011	2	Affinium Pharmaceuticals, Inc. - Notes	4,666,666.66	2.00
09/02/2011	1	Bank of Montreal - Note	2,000,000.00	1.00
08/11/2011	1	BNP Paribas Arbitrage Issuance B.V. - Certificates	65,055.05	59.00
08/03/2011 to 08/18/2011	17	Calibre Mining Corp. - Common Shares	2,060,000.00	20,060,000.00
08/17/2011	16	Cataylst Copper Corp. - Common Shares	2,121,000.00	20,200,000.00
08/22/2011	21	Century Energy Ltd. - Units	135,000.00	2,700,000.00
08/01/2010 to 07/31/2011	648	CFG Custom Portfolio Corporation - Units	44,771,779.72	N/A
08/10/2011	68	Comstock Metals Ltd. - Units	1,750,000.00	8,750,000.00
08/11/2011	53	Corex Gold Corporation - Units	1,179,399.60	3,931,332.00
08/12/2011	7	Digger Resources Inc. - Common Shares	400,000.00	2,000,000.00
07/08/2011 to 07/11/2011	11	East Coast Energy Inc. - Units	191,500.00	1,032,666.67
08/05/2011	20	Fifth Avenue LP & 1023803 Alberta Ltd. - Bonds	350,000,000.00	350,000.00
08/19/2011	1	First Leaside Expansion Limited Partnership - Units	50,000.00	50,000.00
08/23/2011	1	First Leaside Primetime Living LP - Units	100,000.00	100,000.00
08/12/2011 to 08/22/2011	5	First Leaside Venture Limited Partnership - Units	525,002.00	525,002.00
08/18/2011 to 08/23/2011	2	First Leaside Wealth Management Fund - Trust Units	287,511.00	287,511.00
08/23/2011	1	First Leaside Beverages Group LP - Units	50,010.00	50,010.00
08/18/2011 to 08/24/2011	10	FLEX Fund - Trust Units	250,345.00	250,345.00
08/18/2011 to 08/24/2011	10	FLEX Fund - Trust Units	302,247.00	302,247.00
08/16/2011	3	FLEX Fund - Units	41,399.00	41,399.00
08/11/2011	1	FLEX Fund - Units	9,062.00	9,062.00

Notice of Exempt Financings

Transaction Date	No. of Purchasers	Issuer/Security	Total Purchase Price (\$)	No. of Securities Distributed
05/19/2011	10	Fresco Microchip Inc. - Preferred Shares	230,358.76	277,082.00
06/29/2011	11	Global Atomic Fuels Corporation - Common Shares	809,124.75	359,611.00
08/12/2011	29	Gulf Shores Resources Ltd. - Units	305,500.00	6,110,000.00
08/12/2011	1	HSBC Mexico S.A., Institucion de Banca Multiple, Grupo Financiero - Note	440,092,010.24	1.00
08/15/2011	2	iCanTrade Corporation - Common Shares	51,398.00	51,398.00
08/09/2011 to 08/12/2011	15	IGW Real Estate Investment Trust - Units	747,167.21	743,999.41
08/15/2011 to 08/19/2011	20	IGW Real Estate Investment Trust - Units	1,737,787.22	N/A
08/23/2011	7	Invesco Mortgage Capital Inc. - Common Shares	20,463,750.00	1,125,000.00
08/05/2011 to 08/11/2011	8	Iskander - Special Warrants	3,978,998.50	2,652,665.00
08/18/2011	5	iStopOver Inc. - Debentures	1,250,000.00	5.00
06/16/2010 to 04/25/2011	244	Jaymor Capital Ltd. - Bonds	14,121,600.00	141,216.00
08/17/2011	1	JPMorgan Chase Bank, N.A. - Certificates	700,000.00	700.00
08/16/2011	22	KCAP Helendale Limited Partnership - Limited Partnership Units	5,200,000.00	520,000.00
08/12/2011	2	Landdrill International Inc. - Debentures	250,000.00	2.00
08/18/2011	3	MOVE Trust, BNY Trust company of Canada as trustee - Notes	5,309,340.96	3.00
08/18/2011 to 08/22/2011	2	New Solutions Financial (II) Corporation - Debentures	675,000.00	3.00
08/12/2011	43	Oil Reserve Inc. - Common Shares	4,397,597.95	6,041,125.00
08/11/2011	82	ORANGE Directional Technologies Inc. - Units	12,695,022.00	13,526,696.00
08/24/2011	24	ORANGE Directional Technologies Inc. - Units	2,717,449.50	3,318,266.00
08/23/2011	39	Pacific Iron Corp. - Common Shares	26,300,000.00	N/A
07/25/2011 to 08/03/2011	41	Pennant Energy Inc. - Flow-Through Shares	1,164,209.98	5,655,294.00
08/09/2011	21	PetroToro Inc. - Common Shares	1,032,500.00	2,065,000.00
08/24/2011	1	Rapid Pathogen Screening Inc. - Common Shares	592,992.00	6,000.00
08/09/2011	7	Reynolds Group Issuer LLC/Reynolds Group Issuer Inc./Reynolds Group Issuer (Lexembourg)S.A. - Notes	29,487,546.00	N/A
08/26/2011	23	Royal Bank of Canada - Notes	4,433,850.00	4,400.00
08/25/2011	4	Royal Bank of Canada - Notes	1,297,307.40	1,193.00
08/16/2011	22	R.I.I. North America Inc. - Common Shares	3,958,541.00	3,958,541.00

Notice of Exempt Financings

Transaction Date	No. of Purchasers	Issuer/Security	Total Purchase Price (\$)	No. of Securities Distributed
08/09/2011	2	Special Notes Limited Partnership - Units	450,000.00	450,000.00
08/12/2011	78	Terraco Gold Corp. - Warrants	0.00	6,732,500.00
07/22/2011	1	TMX Finance LLC - Note	712,500.00	1.00
08/21/2011	23	Troymet Exploration Corp. - Flow-Through Shares	959,350.00	13,705,000.00
08/18/2011	59	Troymet Exploration Corp. - Units	885,500.00	1,771,000.00
08/11/2011	40	UBS AG, Jersey Branch - Notes	6,416,250.00	6,420.00
08/10/2011 to 08/11/2011	5	UBS AG, London Branch - Notes	2,000,000.00	2,000.00
08/10/2011	144	Walton Canadian Land 1 Development Corporation - Common Shares	3,500,076.00	388,897.33
08/10/2011	144	Walton Canadian Land Development LP 1 - Units	9,112,571.00	1,012,516.77
08/16/2011	6	Windsor Energy Inc. - Flow-Through Shares	2,640,030.05	7,542,943.00
07/20/2011	4	WM Finance Corp. / WMG Acquisition Corp. - Notes	21,408,782.00	N/A
08/19/2011	7	WP Technology Inc. - Preferred Shares	3,500,000.00	35,000,000.00
08/06/2011	76	Zone Resources Inc. - Flow-Through Units	1,459,020.00	12,158,500.00

This page intentionally left blank

Chapter 11

IPOs, New Issues and Secondary Financings

Issuer Name:

Touchstone Exploration Inc.

Principal Regulator - Alberta

Type and Date:

Preliminary Short Form Prospectus dated September 12, 2011

NP 11-202 Receipt dated September 13, 2011

Offering Price and Description:

44,107,573 Common Shares issuable on exercise of 44,107,573 outstanding Subscription Receipts and a further 4,410,757 Common Shares issuable on the deemed exercise of Rights attached thereto

Underwriter(s) or Distributor(s):

PARADIGM CAPITAL INC.

FIRSTENERGY CAPITAL CORP.

CANACCORD GENUITY CORP.

CIBC WORLD MARKETS INC.

FRASER MACKENZIE LIMITED

HAYWOOD SECURITIES INC.

Promoter(s):

Paul Baay

Ron Bryant

Project #1801457

Issuer Name:

Big Bank Big Oil Split Corp.

Principal Regulator - Ontario

Type and Date:

Preliminary Short Form Prospectus (NI 44-101) dated September 12, 2011

NP 11-202 Receipt dated September 13, 2011

Offering Price and Description:

\$ * (Maximum) - Up to * Preferred Shares and * Capital Shares @ \$* per Preferred Share and \$* per Capital Share

Underwriter(s) or Distributor(s):

TD Securities Inc.

CIBC World Markets Inc.

GMP Securities L.P.

RBC Dominion Securities Inc.

Scotia Capital Inc.

BMO Nesbitt Burns Inc.

National Bank Financial Inc.

Canaccord Genuity Corp.

HSBC Securities (Canada) Inc.

Raymond James Ltd.

Desjardins Securities Inc.

Macquarie Private Wealth Inc.

Dundee Securities Ltd.

Mackie Research Capital Corporation

Rothenberg Capital Management Inc.

Promoter(s):

Claymore Investments, Inc.

Project #1801384

Issuer Name:

Banro Corporation

Type and Date:

Preliminary Base Shelf Prospectus dated September 8, 2011

Received on September 8, 2011

Offering Price and Description:

US \$11,667,728.60 - 5,303,513 Common Shares Issuable on Exercise of Outstanding Warrants

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #1800433

Issuer Name:

Boyd Group Income Fund

Principal Regulator - Manitoba

Type and Date:

Preliminary Short Form Prospectus dated September 12, 2011

NP 11-202 Receipt dated September 12, 2011

Offering Price and Description:

\$21,104,733.00 - 1,963,231 Units PRICE: \$10.75 per Unit

Underwriter(s) or Distributor(s):

Cormark Securities Inc.

CIBC World Markets Inc.

National Bank Financial Inc

Octagon Capital Corporation

Promoter(s):

-

Project #1801331

Issuer Name:

Central GoldTrust

Principal Regulator - Ontario

Type and Date:

Preliminary Base Shelf Prospectus dated September 9, 2011

NP 11-202 Receipt dated September 12, 2011

Offering Price and Description:

US \$1,000,000,000.00 - Units

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #1800912

Issuer Name:

Crescent Point Energy Corp.
Principal Regulator - Alberta

Type and Date:

Preliminary Short Form Prospectus dated September 7, 2011

NP 11-202 Receipt dated September 8, 2011

Offering Price and Description:

\$375,187,500.00 - 8,625,000 Common Shares Price:
\$43.50 per Common Share

Underwriter(s) or Distributor(s):

BMO NESBITT BURNS INC.
CIBC WORLD MARKETS INC.
SCOTIA CAPITAL INC.
RBC DOMINION SECURITIES INC.
FIRSTENERGY CAPITAL CORP.
TD SECURITIES INC.
NATIONAL BANK FINANCIAL INC.
GMP SECURITIES L.P.
MACQUARIE CAPITAL MARKETS CANADA LTD.
PETERS & CO. LIMITED

Promoter(s):

-

Project #1800032

Issuer Name:

Delon Resources Corp.
Principal Regulator - British Columbia

Type and Date:

Preliminary Long Form Prospectus dated September 7, 2011

NP 11-202 Receipt dated September 8, 2011

Offering Price and Description:

\$600,000.00 - 3,000,000 Common Shares at a price of
\$0.20 per Common Share

Underwriter(s) or Distributor(s):

CANACCORD GENUITY CORP.

Promoter(s):

Herrick Lau

Project #1800186

Issuer Name:

Exploration Orbite VSPA Inc.
Principal Regulator - Quebec

Type and Date:

Preliminary Short Form Prospectus dated September 8, 2011

NP 11-202 Receipt dated September 9, 2011

Offering Price and Description:

\$57,500,000.00 - 17,968,750 Class A shares and
8,984,375 Class A share Purchase Warrants Issuable
Upon the Exercise of 17,968,750 Previously-Issued Special
Warrants Price: \$3.20 per Special Warrant

Underwriter(s) or Distributor(s):

MACKIE RESEARCH CAPITAL CORPORATION
M. PARTNERS INC.

Promoter(s):

-

Project #1800595

Issuer Name:

Faircourt Gold Income Corp.
Principal Regulator - Ontario

Type and Date:

Preliminary Short Form Prospectus dated September 12, 2011

NP 11-202 Receipt dated September 12, 2011

Offering Price and Description:

Offering of *rights to subscribe for an aggregate of up to *
Class A Shares The Subscription Price equals *% of the
diluted net asset value per Class A Share on *, 2011

Underwriter(s) or Distributor(s):

CIBC WORLD MARKETS INC.

Promoter(s):

-

Project #1801194

Issuer Name:

FNR Energy II Limited Partnership
Principal Regulator - Saskatchewan

Type and Date:

Preliminary Long Form Prospectus dated September 7, 2011

NP 11-202 Receipt dated September 8, 2011

Offering Price and Description:

Maximum Offering: \$25,000,000.00 (2,500,000 Units);
Minimum Offering: \$ 2,500,000.00 (250,000 Units) Price: \$
10.00 per Unit Minimum Purchase: \$ 5,000 (500 Units)

Underwriter(s) or Distributor(s):

MGI SECURITIES INC.
CANACCORD GENUITY CORP.
GMP SECURITIES L.P.
MACKIE RESEARCH CAPITAL CORPORATION
RAYMOND JAMES LTD.
DUNDEE SECURITIES LTD.
PI FINANCIAL CORP.
UNION SECURITIES LTD.
D&D SECURITIES INC.
LEEDE FINANCIAL MARKETS INC.

Promoter(s):

FNR ASSET MANAGEMENT INC.

Project #1800102

Issuer Name:

Franco-Nevada Corporation
Principal Regulator - Ontario

Type and Date:

Preliminary Base Shelf Prospectus dated September 7, 2011

NP 11-202 Receipt dated September 8, 2011

Offering Price and Description:

C\$1,000,000,000.00

Common Shares

Preferred Shares

Debt Securities

Warrants

Subscription Receipts

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #1800077

Issuer Name:

IBC Advanced Alloys Corp.
Principal Regulator - British Columbia

Type and Date:

Preliminary Short Form Prospectus dated September 9, 2011

NP 11-202 Receipt dated September 12, 2011

Offering Price and Description:

Minimum Offering: \$5,000,000.00 or *Units; Maximum

Offering: \$8,000,000.00 or * Units

Price: \$ * per Unit

Underwriter(s) or Distributor(s):

EURO PACIFIC CANADA INC.

Promoter(s):

-

Project #1800997

Issuer Name:

Just Energy Group Inc.
Principal Regulator - Ontario

Type and Date:

Preliminary Short Form Prospectus dated September 7, 2011

NP 11-202 Receipt dated September 7, 2011

Offering Price and Description:

\$100,000,000.00 - 5.75% Convertible Unsecured

Subordinated Debentures Price: \$1,000 per Debenture

Underwriter(s) or Distributor(s):

CIBC WORLD MARKETS INC.

NATIONAL BANK FINANCIAL INC.

RBC DOMINION SECURITIES INC.

SCOTIA CAPITAL INC.

TD SECURITIES INC.

HAYWOOD SECURITIES INC.

JACOB SECURITIES INC.

Promoter(s):

-

Project #1800015

Issuer Name:

mHealth Capital Corp.
Principal Regulator - Alberta

Type and Date:

Amended and Restated Preliminary Prospectus dated September 6, 2011

NP 11-202 Receipt dated September 7, 2011

Offering Price and Description:

\$500,000.00 - 5,000,000 Common Shares Price: \$0.10 Per Common Share

Underwriter(s) or Distributor(s):

Leede Financial Markets Inc.

Promoter(s):

Massimiliano Brezzi

Project #1756577

Issuer Name:

Microbix Biosystems Inc.
Principal Regulator - Ontario

Type and Date:

Preliminary Base Shelf Prospectus dated September 7, 2011

NP 11-202 Receipt dated September 7, 2011

Offering Price and Description:

Cdn\$20,000,000.00:

Common Shares

Preferred Shares

Warrants

Units

Subscription Receipts

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #1800022

Issuer Name:

Plazacorp Retail Properties Ltd.
Principal Regulator - New Brunswick

Type and Date:

Preliminary Short Form Prospectus dated September 12, 2011

NP 11-202 Receipt dated September 12, 2011

Offering Price and Description:

\$27,720,000.00 -6,600,000 Common Shares Price \$4.20 per Offered Share

Underwriter(s) or Distributor(s):

RBC DOMINION SECURITIES INC.

CIBC WORLD MARKETS INC.

BMO NESBITT BURNS INC.

BEACON SECURITIES LIMITED

SCOTIA CAPITAL INC.

DESJARDINS SECURITIES INC.

NATIONAL BANK FINANCIAL INC.

Promoter(s):

-

Project #1801199

Issuer Name:

Qwest Energy 2011-II Flow-Through Limited Partnership
Principal Regulator - British Columbia

Type and Date:

Amendment dated September 8, 2011 to Preliminary Long
Form Prospectus dated August 31, 2011
NP 11-202 Receipt dated September 9, 2011

Offering Price and Description:

Maximum Offering: \$25,000,000.00 (1,000,000 Units);
Minimum Offering: \$5,000,000.00 (200,000 Units)
Price: \$25.00 per Unit Minimum Purchase: 100 Units

Underwriter(s) or Distributor(s):

SCOTIA CAPITAL INC.
RBC DOMINION SECURITIES INC.
BMO NESBITT BURNS INC.
DUNDEE SECURITIES LTD.
MANULIFE SECURITIES INCORPORATED
CANACCORD GENUITY CORP.
MACQUARIE PRIVATE WEALTH INC.
RAYMOND JAMES LTD.
GMP SECURITIES L.P.
HSBC SECURITIES (CANADA) INC.
ROTHENBERG CAPITAL MANAGEMENT INC.
UNION SECURITIES LTD.

Promoter(s):

QWEST INVESTMENT MANAGEMENT CORP.

Project #1798558

Issuer Name:

SQL Diagnostics Inc.
Principal Regulator - Ontario

Type and Date:

Amended and Restated Short Form PREP Prospectus
dated September 7, 2011
NP 11-202 Receipt dated September 8, 2011

Offering Price and Description:

US\$30,000,000 - * Common Shares PRICE: US\$ * PER
COMMON SHARE

Underwriter(s) or Distributor(s):

Kingsdale Capital Management Markets Inc.

Promoter(s):

-

Project #1770738

Issuer Name:

SSF Trust
Principal Regulator - Ontario

Type and Date:

Preliminary Long Form Non-Offering Prospectus dated
September 7, 2011
NP 11-202 Receipt dated September 8, 2011

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

-

Promoter(s):

BROMPTON FUNDS LIMITED

Project #1800173

Issuer Name:

Synchronica plc

Type and Date:

Preliminary Short Form Prospectus dated September 7,
2011

Received on September 9, 2011

Offering Price and Description:

\$7,325,000.00 - 29,300,000 Units (each Unit being
comprised of one Ordinary Share and one-half of one
Warrant) Price: \$0.25 per Unit

Underwriter(s) or Distributor(s):

PARADIGM CAPITAL INC.
STONECAP SECURITIES INC.
CORMARK SECURITIES INC.

Promoter(s):

-

Project #1800378

Issuer Name:

TELUS Corporation
Principal Regulator - British Columbia

Type and Date:

Preliminary Base Shelf Prospectus dated September 12,
2011

NP 11-202 Receipt dated September 12, 2011

Offering Price and Description:

\$2,500,000,000.00:

Debt Securities
Preferred Shares
Non-Voting Shares
Common Shares
Warrants to Purchase Equity Securities
Warrants to Purchase Debt Securities
Share Purchase Contracts
Share Purchase or Equity Units

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #1801304

Issuer Name:

Triumph Ventures III Corporation
Principal Regulator - Ontario

Type and Date:

Preliminary CPC Prospectus dated September 8, 2011
NP 11-202 Receipt dated September 8, 2011

Offering Price and Description:

Minimum Offering: \$200,000.00 or 1,000,000 Common
Shares; Maximum Offering: \$1,000,000.00 or 5,000,000
Common Shares Price: \$0.20 per Common Share

Underwriter(s) or Distributor(s):

PORTFOLIO STRATEGIES SECURITIES INC.

Promoter(s):

-

Project #1800396

Issuer Name:

Winrock Resources Inc.
Principal Regulator - British Columbia

Type and Date:

Preliminary Long Form Prospectus dated September 8, 2011

NP 11-202 Receipt dated September 8, 2011

Offering Price and Description:

MINIMUM OF \$300,000 (1,500,000 UNITS) AND
MAXIMUM OF \$400,000 (2,000,000 UNITS)
PRICE: \$0.20 PER UNIT

Underwriter(s) or Distributor(s):

Wolverton Securities Ltd.

Promoter(s):

PAUL DICKSON
HARVEY D. DICK
EDWARD J. DRUMMOND
DERRICK STRICKLAND
Project #1800515

Issuer Name:

Canadian Utilities Limited
Principal Regulator - Alberta

Type and Date:

Final Base Shelf Prospectus dated September 12, 2011

NP 11-202 Receipt dated September 12, 2011

Offering Price and Description:

\$2,000,000,000.00:

Preferred Shares

Debt Securities

Underwriter(s) or Distributor(s):

RBC Dominion Securities Inc.

Promoter(s):

-

Project #1799685

Issuer Name:

CT Developers Ltd.
Principal Regulator - Ontario

Type and Date:

Final CPC Prospectus dated September 6, 2011

NP 11-202 Receipt dated September 8, 2011

Offering Price and Description:

Maximum of \$600,000.00 or 3,000,000 Common Shares;
Minimum of \$300,000 or 1,500,000 Common Shares
PRICE: \$0.20 per Common Share Agent's Option (as
defined herein) Incentive Stock Options (as defined herein)

Underwriter(s) or Distributor(s):

MACQUARIE PRIVATE WEALTH INC.

Promoter(s):

Norm Eyolfson

Project #1771720

Issuer Name:

Horizons S&P/TSX 60 Index ETF
Horizons S&P 500® Index (C\$ Hedged) ETF
Horizons GMP® Junior Oil and Gas Index ETF
(Class A Units)
Principal Regulator - Ontario

Type and Date:

Final Long Form Prospectus dated September 8, 2011

NP 11-202 Receipt dated September 13, 2011

Offering Price and Description:

Class A Units @ Net Asset Value

Underwriter(s) or Distributor(s):

-

Promoter(s):

BETAPRO MANAGEMENT INC.

Project #1778715

Issuer Name:

A series, F series and O series shares of:
MATCO CANADIAN EQUITY INCOME FUND (formerly
MFi Canadian Equity Fund)
MATCO ENERGY EQUITY FUND (formerly MFi Energy
Equity Fund)
MATCO SMALL CAP FUND (formerly MFi Small Cap
Fund)
and

A series, F series and O series units of:

MATCO BALANCED FUND (formerly Balance Fund)

Principal Regulator - Alberta

Type and Date:

Final Simplified Prospectuses dated September 9, 2011

NP 11-202 Receipt dated September 9, 2011

Offering Price and Description:

A, F and O series shares and A, F and O series units

Underwriter(s) or Distributor(s):

-

Promoter(s):

Matco Financial Inc.

Project #1778590

Issuer Name:

NORTHERN PRECIOUS METALS 2011 LIMITED
PARTNERSHIP

Principal Regulator - Quebec

Type and Date:

Amendment #1 dated August 31, 2011 to the Long Form
Prospectus dated June 8, 2011

NP 11-202 Receipt dated September 7, 2011

Offering Price and Description:

\$15,000,000.00 (maximum) \$1,200,000.00 (minimum) -
15,000 Limited Partnership Units (maximum) 1,200 Limited
Partnership Units (minimum) Minimum Subscription: 5
Units (\$5,000) Subscription Price: \$1,000 per Unit

Underwriter(s) or Distributor(s):

Secutor Capital Management Corporation
Industrial Alliance Securities Inc.

Promoter(s):

Northern Precious Metals Management Inc.

Project #1717634

Issuer Name:

RBC Target 2013 Corporate Bond ETF
RBC Target 2014 Corporate Bond ETF
RBC Target 2015 Corporate Bond ETF
RBC Target 2016 Corporate Bond ETF
RBC Target 2017 Corporate Bond ETF
RBC Target 2018 Corporate Bond ETF
RBC Target 2019 Corporate Bond ETF
RBC Target 2020 Corporate Bond ETF
(Units)

Principal Regulator - Ontario

Type and Date:

Final Long Form Prospectus dated September 2, 2011

NP 11-202 Receipt dated September 7, 2011

Offering Price and Description:

Units

Underwriter(s) or Distributor(s):

-

Promoter(s):

RBC GLOBAL ASSET MANAGEMENT INC.

Project #1770446

Issuer Name:

Scott's Real Estate Investment Trust

Principal Regulator - Ontario

Type and Date:

Final Short Form Prospectus (NI 44-101) dated September 12, 2011

NP 11-202 Receipt dated September 13, 2011

Offering Price and Description:

\$12,000,000.00 - Series 2011 8.00% Convertible
Unsecured Subordinated Debentures PRICE: \$1,000 PER
DEBENTURE

Underwriter(s) or Distributor(s):

NATIONAL BANK FINANCIAL INC.

CANACCORD GENUITY CORP.

GMP SECURITIES L.P.

HSBC SECURITIES (CANADA) INC.

Promoter(s):

-

Project #1799137

Issuer Name:

Sprott Diversified Yield Fund
(Series A, T, F, FT and I Units)
Sprott Tactical Balanced Fund
(Series A, T, F, FT, I and D Units)
Principal Regulator - Ontario

Type and Date:

Amendment No. 1 dated August 24, 2011 (amendment no. 1) to the Simplified Prospectuses and Annual Information Form dated May 11, 2011

NP 11-202 Receipt dated September 9, 2011

Offering Price and Description:

Series A, T, F, FT, I and D Units @ Net Asset Value

Underwriter(s) or Distributor(s):

-

Promoter(s):

Sprott Asset Management LP

Project #1726214

Issuer Name:

Thornapple Capital, Inc.

Principal Regulator - Ontario

Type and Date:

Final CPC Prospectus dated September 7, 2011

NP 11-202 Receipt dated September 8, 2011

Offering Price and Description:

\$200,000.00 - 2,000,000 common shares Price: \$0.10 per
common share Agent's Option (as defined herein) Incentive
Stock Options (as defined herein)

Underwriter(s) or Distributor(s):

Steven Davidson

Kenneth Scholten

Promoter(s):

-

Project #1782066

Chapter 12

Registrations

12.1.1 Registrants

Type	Company	Category of Registration	Effective Date
New Registration	AlphaPro Management Inc.	Investment Fund Manager	September 7, 2011
New Registration	BetaPro Management Inc.	Investment Fund Manager	September 8, 2011
New Registration	Delavaco Securities Inc.	Exempt Market Dealer	September 14, 2011

This page intentionally left blank

Chapter 13

SROs, Marketplaces and Clearing Agencies

13.2 Marketplaces

13.2.1 TSX Trading Rule Amendments Related to Market Making – Request for Comments

REQUEST FOR COMMENTS TORONTO STOCK EXCHANGE TRADING RULE AMENDMENTS RELATED TO MARKET MAKING

The Board of Directors of TSX Inc. ("TSX") has approved amendments ("Amendments") to the Rules of the Toronto Stock Exchange ("TSX Rules"). The Amendments, shown as blacklined text, are attached at Appendix "A".

The Amendments will be effective upon approval by the Ontario Securities Commission (Commission) following public notice and comment. Comments on the proposed amendments should be in writing and delivered no later than October 17, 2011 to:

Deanna Dobrowsky
Director, Regulatory Affairs
TMX Group Inc.
The Exchange Tower
130 King Street West, 3rd Floor
Toronto, Ontario M5X 1J2
Fax: (416) 947-4461
e-mail: tsxrequestforcomments@tsx.com

A copy should also be provided to:

Barbara Fydell
Senior Legal Counsel, Market Regulation
Capital Markets Branch
Ontario Securities Commission
Suite 1903, Box 55
20 Queen Street West
Toronto, Ontario M5H 3S8
Fax: (416) 595-8940
e-mail: marketregulation@osc.gov.on.ca

Terms not defined in this Request for Comments are defined in the TSX Rules and TSXV Rules.

I. Proposed Change

The Amendments will assist TSX Market Makers in performing their market making obligations in a multi-marketplace and increasingly electronic trading environment. The Amendments provide for: elimination of the anti-scooping rule; elimination of Market Maker capital requirements; elimination of the Market Maker stabilization rule; the ability for Market Makers to execute booked oddlots at their limit price; and new requirements on the use of the Minimum Guaranteed Fill (MGF) and oddlot facilities. A proposal to eliminate the anti-scooping rule on TSX Venture Exchange has been filed with the British Columbia Securities Commission and the Alberta Securities Commission to ensure consistency of trading rules across the TMX Group equity markets.

II. Background

Market Makers contribute to price discovery and liquidity in the trading of a security by maintaining a continuous two-sided market within a certain spread goal. They are also charged with maintaining a market for the security that is competitive with other markets where the security trades.

Further, Market Makers provide a service to small investors through maintaining the size of the MGF requirements and by providing an automatic and immediate "one-price" execution of MGF eligible orders. With the aforementioned maintenance of a

two-sided market, Market Makers ensure, particularly on less liquid securities, that retail investors have an ability to compete for order flow in the marketplace.

Market Makers provide value to all market participants, including alternative trading systems (ATs), by enhancing price discovery and liquidity on the primary Canadian market. This also helps to lower the market impact cost of trading for all market participants regardless of where they trade.

Many of the principles pertaining to the existing TSX market making system originated in a very different trading landscape. Due to the proliferation of high frequency trading (HFT) activities and algorithmic usage across multiple marketplaces in Canada, Market Makers have found it increasingly more difficult to perform their functions in a viable manner. The Amendments are an initial step to address some of the recent challenges faced by the market making community.

III. Rationale for Amendments

To further strengthen TSX's Market Making system as an effective mechanism to provide market quality and price discovery on Toronto Stock Exchange and for the Canadian market, the Amendments are intended to:

- enable TSX to retain Market Makers and support market making as a viable business model
- continue to enhance liquidity on TSX Market Makers' securities of responsibility

The Amendments show TSX's continued support of the Market Making community by providing appropriate rules and policies to encourage Market Makers to fulfill their responsibilities and retain their status as Market Makers on TSX.

IV. Impact

The impact to the market will be positive as the Amendments will remove the competitive disadvantage to TSX Market Makers that has resulted from a radically changing market structure. The Amendments will have the effect of levelling the playing field between TSX Market Makers and professional type clients like HFTs with sophisticated technologies. We submit that the positive impact that these rule changes will have on TSX Market Makers should have a related positive impact on the retail trading community.

V. Description of Amendments

Provided below is a summary of the Amendments. A blacklined text of the amendments is provided in Appendix "A".

TSX Rule 4-701 – Execution of Trades at the Opening

The Amendments remove the "anti-scooping" rule. The original purpose of this rule, which applies only to "pro" (i.e. professional) orders entered in the two minutes prior to opening, was to prevent pros from shutting out client orders that were already in the book at the Calculated Opening Price (COP), unless the pro order improved the COP. With better and quicker access to trading and real-time market data, it was felt that pros should not be guaranteed a fill at the opening for an order entered in the two minutes prior to the opening unless the pro contributed to the improvement of the COP.

With the changes to Canadian market structure in recent years, the consequence of this rule is now to give an unfair advantage to client order flow, as a large percentage of "clients" are now Direct Market Access (DMA) and/or HFT clients and have the same or better technology than the pros, giving these clients better access to trading and real-time market data. In effect, the anti-scooping rule, which was introduced in 2001, now inadvertently disadvantages the true pro traders. In eliminating the rule, TSX does not believe that this will have a negative impact on market quality as the rule no longer provides the protection that it once did given the shift in market structure to electronic trading among sophisticated clients.

TSX Rule and Policy 4-602-Qualifications

The Amendments remove capital requirements for Market Makers. TSX has determined that no further capital requirements are necessary beyond the existing IIROC capital requirements for dealer-members. These IIROC requirements are sufficient to ensure adequate capital is available to support Market Making activities. Further, the TSX market making performance system, which measures the liquidity, spread goal maintenance and participation of the Market Maker's securities of responsibility, is in place to capture deficiencies in performance of Market Makers. These measurements ensure the market quality that each TSX Market Maker is providing to the Canadian marketplace, and are far more meaningful than minimum capital requirements.

TSX Rule and Policy 4-605 Stabilizing Trades

The stabilization rule outlines the expectation that at least 70% to 80% of Market Makers' trades in their securities of responsibility are stabilizing or neutral¹. This requirement is not sustainable in a multi-marketplace environment. Approximately 35% of the trading volume on TSX-listed securities takes place on ATSS. Given that TSX Market Makers are not able to stabilize trading on a security when significant trading can take place on other marketplaces, it is our view that this policy is not effective in a multi-marketplace environment. Confirmation of this view is evident in TSX Policy 4-605(2) which currently grants an exemption from this rule on all securities interlisted in the U.S. where 25% of the trading occurs on U.S. markets. This caveat identifies that the stabilization rule loses its effectiveness once trading takes place on other marketplaces, and is further evidence that this rule should be deleted.

Further, it is our view that the removal of the rule will not have a negative impact on the market as this policy is not currently the driving force behind Market Maker stabilizing activity. Practically, it is not a profitable trading strategy for a trader to enter a series of destabilizing trades. Thus, the main incentive for a Market Maker to avoid entering destabilizing trades exists irrespective of TSX Policy 4-605(2). We submit that the profit motive in and of itself is an incentive not to enter destabilizing trades.

TSX Rule and Policy 4-604 -Responsibilities of Market Makers

The existing subsection (3) for "Maintenance of a Two-Sided Market" (Odd-lot Responsibilities) has been amended to clarify that booked oddlots which become tradeable due to a boardlot quote change will execute at their original limit price. This change protects Market Makers from unfair fills while still respecting the legitimate use of the oddlot facility. This Amendment is important because in recent years, there has been a large increase in the use of the oddlot facility as result of the proliferation of algorithmic trading and hedging activities by Market Makers on exchange-traded funds. Facilitating the oddlot market has become a major component of many Market Makers' responsibilities.

TSX Rule and Policy 4-802- Allocation of Trades

The existing subsection (1) "MGF Facility" has been amended to add the definition of MGF ineligible orders, and corresponding guidelines on MGF fills occurring in violation of specific conditions. Subsection (4) "Oddlot Facility" has been added to refine the use of the oddlot facility and clarify actions TSX may take upon violation of these rules. These requirements have existed for some time, initially as rulings in the Toronto Stock Exchange Equities Trading Manual ("Equities Manual"), and then as published guidance via TSX Interpretation Notices. Formerly, section 5.1 of the Equities Manual included rulings that prescribed requirements for MGF-eligible orders; prohibition on splitting orders; multiple MGF orders from the same client; execution of orders; and oddlot front-ending. When the Equities Manual was discontinued, the spirit of the rulings continued but was evidenced in less formal interpretive notices. Incorporating these current guidelines into the TSX Rules will give clear powers to TSX in this area and will protect against abuses of the MGF Facility.

VI. Consultation and Review

TSX has consulted extensively with its Market Making Advisory Committee which includes representatives from 22 firms that provide Market Making services. TSX has also discussed the Amendments with IIROC.

VII. Alternatives

No alternatives were considered.

VIII. Comparable Rules

With respect to the anti-scooping rule, no Canadian marketplace with a pre-open or opening session (other than TSX Venture Exchange) offers an anti-scooping mechanism. TSX Venture Exchange is also proposing to delete its anti-scooping rule at this time.

The other Amendments pertain directly to the TSX Market Making system. CNSX is the only other Canadian marketplace that offers market making functionality for securities that are listed on CNSX. The Market Making rules in the CNSX trading rules (sections 4-112 to 4-115) do not impose capital requirements on CNSX Market Makers. There is no rule imposing stabilization

¹ "Neutral Trades" means trades that would otherwise be destabilizing trades except that:

- (a) the Market Maker is unwinding a long or short position in a security taken previously
- (b) the trades is made pursuant to the Market Maker's obligation to fill a MGF order
- (c) the trade is made pursuant to the Market Maker's obligation to maintain a specific maximum spread between bid and ask quotes; or
- (d) the trades is made for the purpose of maintaining a proportionate market (based on the conversion ratio) in a security that another security is convertible into or in the convertible security; provided that , in the case of the exceptions in (b), (c) , and (d) above, the Market Maker is on the passive side of the trade.

requirements on CNSX Market Makers. CNSX Rule 4-113(3) governs executions by Market Makers of tradeable orders, but it does not include the level of price execution detail TSX is proposing for booked oddlots that become tradeable. CNSX Rule 4-114 is the general rule that Market Makers are not obliged to accept or handle a non-client or principal order. The Amendments go beyond CNSX's provision. The new language proposed in TSX Policy 4-802(1) provides additional clarity on orders that are not eligible to participate in the MGF Facility.

IX. Public Interest Assessment

We submit that in accordance with the Protocol for Commission Oversight of Toronto Stock Exchange Rule Proposals, the Amendments will be considered "public interest" in nature. The Amendments would, therefore, only become effective following public notice, a comment period and the approval of the Commission.

X. Questions

Questions concerning this notice should be directed to Victor Ciampini, Manager, Market Quality, TSX Markets at victor.ciampini@tmx.com or Deanna Dobrowsky, Director, Regulatory Affairs, TMX Group Inc. at deanna.dobrowsky@tmx.com.

APPENDIX "A"

*Rules of the Toronto Stock Exchange***Rule 4-602 Qualifications (Amended)**

- (1) No person shall be approved as a Market Maker unless such person has demonstrated market making experience that is acceptable to the Exchange.
- (2) No Participating Organization shall be approved as a Market Maker Firm unless the Participating Organization:
 - (a) has provided sufficient trading desk and operations area support staff; and
 - (b) has installed a terminal acceptable to the Exchange that will permit it to properly carry out its market making responsibilities; and
 - (c) ~~satisfies the minimum capital requirements as determined by the Exchange in order for the Participating Organization to support its market making responsibilities.~~
 - (c) Repealed (•)

Amended (July 23, 2004~~•~~)

Policy 4-602 Qualifications**(1) Designated Market Maker Contact**

Market Maker Firms are required to have experienced personnel to effectively perform the market making assignments. In addition to appointing a Responsible Designated Trader for each security of responsibility, a Market Maker Firm must designate an individual within the firm to manage the firm's market making responsibilities and to be the primary contact with the Exchange with respect to the firm's market making assignments.

(2) Capital Requirements

~~Market Maker Firms are required to satisfy and maintain minimum capital requirements as determined by the Exchange from time to time, and shall notify the Exchange promptly in the event of a failure to meet such capital requirements. An example of the financial data that must be provided by a Market Maker Firm is set out in the form provided on the TSX website. The Exchange believes that it is paramount that Market Maker Firms have sufficient financial resources to effectively perform their market making responsibilities. Failure to satisfy the capital requirements may result in a reallocation of security assignments by the Exchange to another Market Maker.~~

Repealed (•)

Amended (July 23, 2004)

Rule 4-604 Responsibilities of Market Makers (Amended)

Market Makers shall trade on behalf of their own accounts to a reasonable degree under existing circumstances, particularly when there is a lack of price continuity and lack of depth in the market or a temporary disparity between supply and demand and in each of their securities of responsibility shall:

- (a) contribute to market liquidity and depth, and moderate price volatility;
- (b) maintain a continuous two-sided market within the spread goal for the security agreed upon with the Exchange;
- (c) maintain a market for the security on the Exchange that is competitive with the market for the security on the other exchanges on which it trades;
- (d) perform their duties in a manner that serves to uphold the integrity and reputation of the Exchange;

- (e) in the case of a Market Maker Firm, arrange for a back-up Responsible Designated Trader for each security assignment, and in the case of a Market Maker that is an Approved Trader, arrange for a back-up Market Maker, who in their absence, will carry out the responsibilities set out in this Rule;
- (f) guarantee fills for incoming tradeable odd lot and mixed lot orders at the current board lot quotation; and fill booked oddlots which become tradeable due to a boardlot quote change at the oddlot's original limit price
- (g) maintain the size of the Minimum Guaranteed Fill requirements agreed upon with the Exchange;
- (h) comply with the Minimum Guaranteed Fill requirements agreed upon with the Exchange, which include guaranteeing an automatic and immediate "one price" execution of disclosed MGF-eligible orders;
- (i) be responsible for managing the opening of their securities of responsibility in accordance with Exchange Requirements and, if necessary, for opening those securities or, if appropriate, requesting that a Market Surveillance Official delay the opening;
- (j) assume responsibility for certain additional listed securities in accordance with applicable Exchange Requirements;
- (k) assist Participating Organizations in executing orders; and
- (l) assist the Exchange by providing information regarding recent trading activity and interest in their securities of responsibility.

Amended (March 1, 2011)

Policy 4-604 Responsibilities of Market Makers

(1) Assistance to Market Surveillance Officials and Participating Organizations

Market Makers shall report forthwith any unusual situation, rumour, activity, price change or transaction in any of their securities of responsibility to a Market Surveillance Official. As much as possible, Market Makers shall assist Participating Organizations' traders by providing them with information regarding recent trading activity and interest in their securities of responsibility. They shall assist traders in matching offsetting orders. Based on their knowledge of current market conditions, Market Makers shall, on a best efforts basis, identify anomalies in Participating Organizations' orders in the Book and bring them to the attention of those Participating Organizations or to the Exchange.

(2) Availability and Coverage

Each Market Maker must ensure that its securities of responsibility are continuously monitored during the trading day. In this regard, Market Makers must have adequate back-up procedures and coverage by qualified individuals in cases of any absences due to illness, vacation or other reasons.

(3) Maintenance of a Two-Sided Market

Market Makers must call a continuous two-sided market in their securities of responsibility. In order to assist them in carrying out this responsibility, Market Makers are given certain privileges and are exempted pursuant to Rule 3.1 of UMIR from the short sale rule when carrying out their market making obligations.

1. **Spread Maintenance**—Market Makers shall maintain the spread goal agreed upon with the Exchange in each of their securities of responsibility on a time-weighted average basis. The Exchange monitors spreads on an ongoing basis, and assesses the performance of Market Makers on a monthly basis.
2. **Relief from Spread Goals**—The initial establishment of a spread goal for a security is subject to negotiation between each Market Maker and the Exchange. The Market Maker shall notify the Exchange if the Market Maker is unable to maintain its spread goal. Any further changes to the spread goal are also subject to negotiation.
3. **Odd-lot Responsibilities**—General—Market Makers shall maintain an odd lot market at the board lot quotation for immediately tradeable incoming oddlots. Booked oddlots which become tradeable due to a boardlot quote change will execute at their original limit price.

Expiring Rights and Warrants—Market Makers shall not be responsible for providing bids and offers for odd lots in rights and warrants within 10 days of the date of expiry of the right or warrant. If a Market Maker chooses to trade odd lots of such securities during this period, the Market Maker must do so at the board lot quotation unless prior consent of a Market Surveillance Official for a wider spread is obtained.

Special Circumstances—The above exemption is also available in any securities that are affected by special circumstances relative to that security. If a Market Maker wishes to call an odd-lot market at a different price than the board lot market, the prior consent of a Market Surveillance Official must be obtained.

4. **Relief from Responsibilities in Unusual Situations**—In extreme cases, such as illiquidity in a security on expiry of a take-over bid, a Market Surveillance Official may relieve a Market Maker from its responsibility to maintain a posted bid or offer. This exemption is also available when a Market Maker's obligation to post an offer would require it to assume or to increase a short position in a security that the Market Maker cannot reasonably be expected to cover because of the relative liquidity of that security or lack of securities available for borrowing.

5. **Client Priority and Frontrunning**

Client Priority—The in-house client priority rule in UMIR Rule 5.3 requires Participating Organizations to execute their client orders ahead of any non-client orders at the same price. This rule applies to trading by Market Makers. Market Makers may participate in trading with one or more of their firm's client orders if the Participating Organization obtains the express consent of the client(s) involved.

Frontrunning Client Orders—UMIR Rule 4.1 prohibits Participating Organizations, Approved Persons and persons associated with a Participating Organization from taking advantage of non-public material information concerning imminent transactions in equities, options or futures markets. Information about a trade is material if the trade would reasonably be expected to move the market in which the frontrunning trade is made. The frontrunning restrictions apply to Market Makers. Participating Organizations, Approved Persons and persons associated with a Participating Organization are prohibited from taking advantage of a client's order by trading ahead of it in the same or a related market. A trade made solely for the benefit of the client for whom the imminent transaction will be made, and a trade that is a bona fide hedge of a position that the Participating Organization has agreed to assume from a client, are exempt from the restrictions.

Frontrunning in Options and Futures—The restrictions further prohibit a frontrunning trade in the options or futures markets with knowledge of an imminent undisclosed material transaction in any of the equities, options or futures markets, including transactions by another Participating Organization. Again, a trade made solely for the benefit of the client for whom the imminent transaction will be made, and a trade that is a bona fide hedge of a position that the Participating Organization has assumed or agreed to assume from a client, are exempt from the restrictions.

Tipping and Trading Ahead—Participating Organizations and Approved Persons and persons associated with a Participating Organization are prohibited from tipping others about an imminent undisclosed material order to be executed for one of the firm's clients in any market, including the equities market.

The Participating Organization executing the order may, however, contact the Market Maker to ask for assistance (for example, to ask if the Market Maker knows of Participating Organizations who may want to take the other side of the trade). If details of an imminent material trade in one of their securities of responsibility have been disclosed by another Participating Organization to the Market Maker, the Market Maker is prohibited from trading ahead of that order unless the Market Maker receives the express consent of the Participating Organization involved.

6. **Client-Principal Trading**—Trades by Market Makers with clients of their Participating Organization, whether made pursuant to their market-making obligations or not, must comply with all UMIR Requirements governing client-principal trading.

Amended (July 23, 2004•)

Rule 4-605 Stabilizing Trades (Amended)

(1) — In this Rule, "neutral trades" means trades that would otherwise be destabilizing trades except that:

(a) — the Market Maker is unwinding a long or short position in a security taken previously;

- (b) — the trade is made pursuant to the Market Maker's obligation to fill a MGF order;
- (c) — the trade is made pursuant to the Market Maker's obligation to maintain a specific maximum spread between bid and ask quotes; or
- (d) — the trade is made for the purpose of maintaining a proportionate market (based on the conversion ratio) in a security that another security is convertible into or in the convertible security;

provided that, in the case of the exceptions in (b), (c), and (d) above, the Market Maker is on the passive side of the trade.

(2) — At least 70% of Market Makers' trades in their securities of responsibility shall be stabilizing or neutral trades.

Amended (July 23, 2004)

Repealed (•)

Policy 4-605 Stabilizing Trades

~~(1) — Reporting and Performance Measurement~~

~~In accordance with Rule 4-605(2), it is expected that at least 70% to 80% of Market Makers' trades in their securities of responsibility shall be stabilizing or neutral trades. Performance in this area will be measured periodically by the Exchange and reported to the Exchange. If 30% or more of a Market Maker's trades in their securities of responsibility are destabilizing trades, based on the number of transactions, share volume, dollar value of trading or any combination of those factors, the Market Maker's performance shall be considered unsatisfactory and the Market Maker may be subject to any of the penalties set out in this Policy.~~

~~(2) — Exemption for Certain Interlisted Securities~~

~~In order to encourage trading in certain interlisted securities on the Exchange, Market Makers shall be exempt from the stabilization requirements in dealing in all U.S.-based interlisted issues and in those Canadian-based interlisted issues in which more than 25% of the trading occurred on exchanges in the United States or on NASDAQ in the preceding year.~~

~~(3) — Application of Stabilization Requirement to Trading in Other Markets~~

~~The stabilization requirements apply to all trading by Market Makers in listed securities, whether on the Exchange or on another Canadian exchange. The exemptions contained in this Policy also apply to such trading.~~

Amended (July 23, 2004)

Repealed (•)

Rule 4-701 Execution of Trades at the Opening

- (1) Subject to Rule 4-702, listed securities shall open for trading at the opening time, and any opening trades shall be at the calculated opening price.
- (2) The following orders shall be completely filled at the opening:
 - (a) market orders and better-priced limit orders for client accounts; and
 - (b) MBF orders;₂
 - (c) — market orders and better-priced limit orders for non-client accounts that were entered prior to the two minutes immediately preceding the opening time; and
 - (d) — market orders and better-priced limit orders for non-client accounts that were entered during the two minutes immediately preceding the opening time where the opening of the security is delayed pursuant to Rule 4-702, or where the order affected the Calculated Opening Price.

(c) — Repealed (•)

~~(d) Repealed (•)~~

Amended (September 12, 2008•)

(3) The following orders are eligible to participate in the opening but are not guaranteed to be filled:

(a) Repealed (August 7, 2001)

(b) limit orders at the opening price; ~~and~~

~~(c) market orders and better-priced limit orders for non-client accounts that were entered during the two minutes immediately preceding the opening time and that did not affect the Calculated Opening Price, where the security opens at the opening time.~~

~~(c) Repealed (•)~~

Amended (September 12, 2008•)

(4) Unless otherwise provided, trades shall be allocated among orders at the opening price in the following manner and sequence:

(a) trades shall be allocated to orders guaranteed a fill pursuant to Rule 4-701(2) then;

(b) all possible crosses shall be executed; then

(c) Repealed (August 7, 2001)

(d) to limit orders at the opening price according to time priority.

(5) Repealed (August 7, 2001)

(6) Repealed (August 7, 2001)

(7) Orders at the opening price that are not completely filled at the opening shall remain in the Book, at the opening price.

Policy 4-802 Allocation of Trades

(1) MGF Facility

The MGF facility provides an automatic and immediate "one price" execution of Participating Organizations' disclosed client market orders and disclosed client tradeable limit orders, of up to the MGF in the security at the current displayed market price. For purpose of the MGF Facility, client order means any order that does not satisfy definition under Policy 4-802-1(a)(ii) – MGF Ineligible Orders.

(a) Obligations

~~(i)~~ Market Makers shall buy or sell the balance of an incoming MGF-eligible disclosed order at the current market price when there are not sufficient committed orders to fill the incoming order at that price. Market Makers shall also purchase or sell to any imbalance of MGF-eligible disclosed orders on the opening that cannot be filled by orders in the Book.

~~(ii)~~ MGF Ineligible Orders must be marked as MGF-NO, and are defined as orders that meet any or all of the conditions specified below:

1. If a client order is entered on the Exchange in a size smaller than the MGF for that security, but is part of a larger order (including an order that is split and sent to more than one marketplace for execution), or if multiple orders smaller than the MGF for a security are received from/entered by the same client, on a given day, the orders are MGF Ineligible.

2. Any order entered by a Direct Market Access (DMA) client, whether an individual, or broker, is MGF Ineligible (unless the DMA client is a broker acting as an "agent" for retail client order flow).

3. Any client order generated by a computer algorithm is MGF Ineligible.
4. Generally any order from customer who is involved in trading the markets directly on an active and continuous daily basis is MGF Ineligible.
5. Any order on behalf of a U.S. broker-dealer ("U.S. dealer"). This restriction does not include orders on behalf of a client of a U.S. dealer. See Policy 4-802(3) below.

MGF fills which occur in violation of the guidelines detailed above may be cancelled by the Exchange upon request by the Market Maker. Notwithstanding the above, the Exchange may cancel any trades deemed to be improper use of the MGF facility, or take such other action as the Exchange considers appropriate in the circumstances.

(b) Size of MGF

The minimum size of MGF is calculated as one share less than two board lots.

For example, for securities with a board lot size of 100 securities, the minimum is 199 securities. This minimum is acceptable for Tier A securities and Tier B securities. The calculated minimum MGF may; however, be set at a size that is higher than the minimum. For example, the minimum size of the MGF for Tier A securities is usually greater than 599 shares (for securities with a 100 share board lot).

(2) Market Maker Participation

At the option of the Market Maker, the Market Maker may participate in any disclosed immediately tradeable orders (including non-client and MGF-ineligible orders) that are equal to or less than the size of the Market Maker's MGF for the security. The Market Maker may participate for 40% of the MGF order at the bid price, the ask price, or both. While the Market Maker is participating, all disclosed client orders that are equal to or less in size than the MGF for the security, including those marked "BKMGF-NO", shall be guaranteed a fill. If the Market Maker is not participating, only disclosed MGF-eligible orders shall be guaranteed a fill.

(3) Use of MGF by US Dealers

~~Orders on behalf of American securities dealers ("U.S. dealers") to buy or sell listed securities that are interlisted with NASDAQ are not eligible for entry into the MGF system. The orders (if they would otherwise be MGF-eligible) must be marked "BK"MGF-NO in order to avoid triggering the responsible Market Maker's MGF obligation. This Policy applies even if the U.S. dealer is paying a commission. Orders on behalf of clients of U.S. dealers are eligible for entry into the system. Participating Organizations accepting an order from a U.S. dealer must ascertain whether the order is on behalf of a client. If the Participating Organization is unable to determine the status of the order, the order is to be treated as ineligible for entry into the MGF system. Orders on behalf of U.S. dealers that are facilitating a trade for a client of that dealer (i.e. the dealer has already filled the client's trade in the US by acting as the counterparty to the trade, and is now offsetting that position on the Exchange) are not eligible for entry into the MGF system and must be marked "BK". MGF-NO.~~

Amended (•)

(4) Oddlot Facility

Market Makers also guarantee incoming tradeable odd lots at the best posted market on the Exchange. The Market Maker's responsibilities in regard to odd lots are the same as its responsibilities for MGF's. Participating Organizations are not permitted to: split larger orders from a single account into odd lots; enter multiple odd lots from a single account on a specific security on a given day; or enter the odd lot portion of a mixed lot order immediately prior to entering the board lot portion.

Amended (March 1, 2011)

Oddlot fills which occur in violation of the guidelines detailed above may be cancelled by the Exchange upon request by the Market Maker. Notwithstanding the above, the Exchange may cancel any trades deemed to be improper use of the Odd Lot facility, or take such other action as the Exchange considers appropriate in the circumstances.

Index

Acuity Funds Ltd.		Chaddock, Douglas	
Decision	9571	Notice from the Office of the Secretary	9541
AGF Investments Inc.		Temporary Order – ss. 127(1), 127(8).....	9595
Decision	9571	Chan, Allen	
AlphaPro Management Inc.		Notice of Hearing – s. 144	9537
New Registration.....	9725	Notice from the Office of the Secretary	9539
American Heritage Stock Transfer Inc.		Notice from the Office of the Secretary	9542
Notice from the Office of the Secretary	9540	Temporary Order – ss. 127(7), 127(8).....	9591
Temporary Order – s. 127(8)	9593	Christodoulidis, Alexandros	
American Heritage Stock Transfer, Inc.		News Release	9538
Notice from the Office of the Secretary	9540	Notice from the Office of the Secretary	9541
Temporary Order – s. 127(8)	9593	Order – s. 127	9594
ATB Investment Management Inc.		OSC Reasons – s. 127	9597
Decision	9571	CI Investments Inc.	
BetaPro Management Inc.		Decision.....	9571
New Registration.....	9725	CIBC Asset Management Inc.	
BFM Industries Inc.		Decision.....	9571
Notice from the Office of the Secretary	9540	CIBC Canadian Resources Fund	
Temporary Order – s. 127(8)	9593	Decision.....	9547
BMO Investments Inc.		CIBC Precious Metals Fund	
Decision	9571	Decision.....	9545
BMO Nesbitt Burns Inc.		Citadel Income Fund	
Decision	9571	Decision.....	9569
Brandes Investment Partners & Co.		Consultation Session on Proposed NI 51-103 Ongoing Governance and Disclosure Requirements for Venture Issuers	
Decision	9571	Notice	9526
Canadian Derivatives Clearing Corporation		Counsel Portfolio Services Inc.	
Notice of Hearing – s. 144.....	9537	Decision.....	9550
Notice from the Office of the Secretary	9542	Decision.....	9558
Canadian Imperial Bank of Commerce		Decision.....	9571
Decision	9545	Crown Hill Capital Corporation	
Decision	9547	Decision.....	9560
Decision	9571	Decision.....	9569
Canoe Financial LP		CSA Multilateral Staff Notice 51-336 – Issuers Using Mass Advertising	
Decision	9571	Notice	9528
Canpro Income Fund I, LP		CSA Staff Notice 31-328 – Revocation of Omnibus / Blanket Orders Exempting Registrants from Certain Provisions of National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations	
Notice from the Office of the Secretary	9539	Notice	9530
Order – s. 127	9592		
Capital International Asset Management (Canada), Inc.			
Decision	9571		
Castlerock Investments Inc.			
Decision	9571		

Curry, Kolt		Green Syndications Inc.	
Notice from the Office of the Secretary	9540	Notice from the Office of the Secretary	9541
Temporary Order – s. 127(8)	9593	Temporary Order – ss. 127(1), 127(8).....	9595
Delavaco Securities Inc.		Healthscreen Solutions Incorporated	
New Registration.....	9725	Cease Trading Order.....	9607
Dennis, Mark Allen		Ho, George	
Notice from the Office of the Secretary	9543	Notice of Hearing – s. 144	9537
Denver Gardner Inc.		Notice from the Office of the Secretary	9539
Notice from the Office of the Secretary	9540	Notice from the Office of the Secretary	9542
Temporary Order – s. 127(8)	9593	Temporary Order – ss. 127(7), 127(8).....	9591
Dimensional Fund Advisors Canada ULC		Hotline to HR Inc.	
Decision	9571	Cease Trading Order.....	9607
Doulis, Alexander Christ		HSBC Global Asset Management (Canada) Limited	
News Release.....	9538	Decision.....	9571
Notice from the Office of the Secretary	9541	Hung, Alfred C.T.	
Order – s. 127	9594	Notice of Hearing – s. 144	9537
OSC Reasons – s. 127	9597	Notice from the Office of the Secretary	9539
Doulis, Alexander Christos		Notice from the Office of the Secretary	9542
News Release.....	9538	Temporary Order – ss. 127(7), 127(8).....	9591
Notice from the Office of the Secretary	9541	Ianno, Anthony	
Order – s. 127	9594	Notice from the Office of the Secretary	9544
OSC Reasons – s. 127	9597	Invesco Canada Ltd. (formerly, Invesco Trimark Ltd.)	
Enbridge Income Fund Holdings Inc.		Decision.....	9571
Decision	9577	Ip, Albert	
Energy Income Fund		Notice of Hearing – s. 144	9537
Decision	9560	Notice from the Office of the Secretary	9539
Energy Syndications Inc.		Notice from the Office of the Secretary	9542
Notice from the Office of the Secretary	9541	Temporary Order – ss. 127(7), 127(8).....	9591
Temporary Order – ss. 127(1), 127(8)	9595	JovFinancial Solutions Inc.	
Excel Funds Management Inc.		Decision.....	9571
Decision	9571	JovInvestment Management Inc.	
Fidelity Investments Canada ULC		Decision.....	9571
Decision	9571	Just Energy Group Inc.	
Forzani Group Ltd.		Decision.....	9563
Decision – s. 1(10)	9557	Land Syndications Inc.	
Franklin Templeton Investments Corp.		Notice from the Office of the Secretary	9541
Decision	9571	Temporary Order – ss. 127(1), 127(8).....	9595
Gauthier, Normand		Liberty Consulting Ltd.	
Notice from the Office of the Secretary	9539	News Release	9538
Order – s. 127	9592	Notice from the Office of the Secretary	9541
Gentree Asset Management Inc.		Order – s. 127	9594
Notice from the Office of the Secretary	9539	OSC Reasons – s. 127	9597
Order – s. 127	9592	Mackenzie Financial Corporation	
Goldstone Resources Inc.		Decision.....	9558
Decision – s. 1(10)	9577	Decision.....	9571
		Manulife Asset Management Limited	
		Decision.....	9571

Manzo, Saverio		RBC Global Asset Management Inc.	
Notice from the Office of the Secretary	9544	Decision.....	9553
		Decision.....	9571
Mateyak, Laura		RBC Target 2013 Corporate Bond ETF	
Notice from the Office of the Secretary	9540	Decision.....	9553
Temporary Order – s. 127(8)	9593		
Mawer Investment Management Ltd.		RBC Target 2014 Corporate Bond ETF	
Decision	9571	Decision.....	9553
McCarthy, Andrea Lee		RBC Target 2015 Corporate Bond ETF	
Notice from the Office of the Secretary	9540	Decision.....	9553
Temporary Order – s. 127(8)	9593		
MD Physician Services Inc.		RBC Target 2016 Corporate Bond ETF	
Decision	9571	Decision.....	9553
Miller, Christopher		RBC Target 2017 Corporate Bond ETF	
Decision	9581	Decision.....	9553
NexGen Financial Limited Partnership		RBC Target 2018 Corporate Bond ETF	
Decision	9571	Decision.....	9553
Northwest & Ethical Investments LP		RBC Target 2019 Corporate Bond ETF	
Decision	9571	Decision.....	9553
OceanRock Investments Inc.		RBC Target 2020 Corporate Bond ETF	
Decision	9571	Decision.....	9553
OSC Staff Notice 31-714 – OSC Staff Supplement to CSA Staff Notice 31-328 Revocation of Omnibus/Blanket Orders Exempting Registrants from Certain Provisions of National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations		Return on Innovation Management Ltd.	
Notice.....	9533	Decision.....	9571
Overton, Ian		Russell Investments Canada Limited	
Notice of Hearing	9535	Decision.....	9571
Notice from the Office of the Secretary	9540		
Notice from the Office of the Secretary	9543	Scotia Securities Inc.	
		Decision.....	9589
Penderfund Capital Management Ltd.		Seminar on Technical and Environmental Disclosure to Assist Public Mining Companies	
Decision	9571	Notice	9527
PFSL Investments Canada Ltd.*		Sentry Investments Inc.	
Decision	9571	Decision.....	9571
PIMCO Canada Corp.		Sino-Forest Corporation	
Decision	9571	Notice of Hearing – s. 144	9537
Qwest Investment Fund Management Ltd.		Notice from the Office of the Secretary	9539
Decision	9571	Notice from the Office of the Secretary	9542
R.E.A.L. Group Fund III (Canada) LP		Temporary Order – ss. 127(7), 127(8).....	9591
Notice from the Office of the Secretary	9539	Sprott Asset Management LP	
Order – s. 127	9592	Decision.....	9571
Raymond James Ltd.		Sun Life Global Investments (Canada) Inc.	
Decision	9585	Decision.....	9571
		Syndications Canada Inc.	
		Notice from the Office of the Secretary	9541
		Temporary Order – ss. 127(1), 127(8).....	9595
		TD Asset Management Inc.	
		Decision.....	9571

**TSX Trading Rule Amendments Related to Market
Making – Request for Comments**

Marketplaces.....9727

USC Education Savings Plans Inc.

Decision9587

Vantage Asset Management Inc.

Decision9583

Webb Asset Management Canada, Inc.

Decision9571

Winick, Sandy

Notice from the Office of the Secretary9540

Temporary Order – s. 127(8)9593

Yeung, Simon

Notice of Hearing – s. 144.....9537

Notice from the Office of the Secretary9539

Notice from the Office of the Secretary9542

Temporary Order – ss. 127(7), 127(8)9591

Yorkville Asset Management Inc.

Decision9571