The Ontario Securities Commission

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March 21, 2013

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

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Chapter 1

Notices / News Releases

1.1 Notices

1.1.1 Current Proceedings Before The Ontario Securities Commission

March 21, 2013

CURRENT PROCEEDINGS

BEFORE

ONTARIO SECURITIES COMMISSION

- - - - - - - - - - - - - - - - - - - -

Temporary Change of Location of Ontario Securities Commission Proceedings

All hearings scheduled to be heard between November 22, 2012 and March 15, 2013 will take place at the following location:

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Judith N. Robertson	—	JNR
AnneMarie Ryan	—	AMR
Charles Wesley Moore (Wes) Scott	—	CWMS

SCHEDULED OSC HEARINGS

March 28, 2013
2:00 p.m.
Quadrexx Asset Management Inc., Quadrexx Secured Assets Inc., Offshore Oil Vessel Supply Services LP, Quibik Income Fund and Quibik Opportunity Fund
s. 127
D. Ferris in attendance for Staff
Panel: JEAT

April 2, 2013
10:00 a.m.
Vincent Ciccone and Cabo Catoche Corp. (a.k.a. Medra Corp. and Medra Corporation)
s. 127
M. Vaillancourt in attendance for Staff
Panel: VK

April 3, 2013
2:00 p.m.
Onix International Inc. and Tyrone Constantine Phipps
s. 127
C. Rossi in attendance for Staff
Panel: JDC

April 3-5, 2013
10:00 a.m.
Alexander Christ Doulis (aka Alexander Christos Doulis, aka Alexandros Christodoulidis) and Liberty Consulting Ltd.
s. 127
J. Feasby in attendance for Staff
Panel: VK

April 4, 2013 10:00 a.m.	**Sandy Winick, Andrea Lee McCarthy, Kolt Curry, Laura Mateyak, Gregory J. Curry, American Heritage Stock Transfer Inc., American Heritage Stock Transfer, Inc., BFM Industries Inc., Liquid Gold International Corp., (aka Liquid Gold International Inc.) and Nanotech Industries Inc.** s. 127 J. Feasby in attendance for Staff Panel: JDC
April 8, 2013 9:00 a.m.	**Ground Wealth Inc., Armadillo Energy Inc., Paul Schuett, Doug DeBoer, James Linde, Susan Lawson, Michelle Dunk, Adrion Smith, Bianca Soto and Terry Reichert** s. 127 J. Feasby in attendance for Staff Panel: MGC
April 8, 2013 9:00 a.m.	**Ground Wealth Inc., Michelle Dunk, Adrion Smith, Joel Webster, Douglas DeBoer, Armadillo Energy Inc., Armadillo Energy, Inc., and Armadillo Energy LLC** s. 127 J. Feasby in attendance for Staff Panel: MGC
April 8, April 10-16, April 22, April 24, April 29-30, May 6 and May 8, 2013 10:00 a.m.	**Energy Syndications Inc. Green Syndications Inc. , Syndications Canada Inc., Daniel Strumos, Michael Baum and Douglas William Chaddock** s. 127 C. Johnson in attendance for Staff Panel: MGC
April 8, 2013 1:00 p.m. April 10-12, April 17, April 19, May 13-17, May 22 and June 24-28, 2013 10:00 a.m.	**Bernard Boily** s. 127 and 127.1 M. Vaillancourt/U. Sheikh in attendance for Staff Panel: AJL
April 9, 2013 3:00 p.m.	**New Hudson Television LLC & Dmitry James Salganov** s. 127 C. Watson in attendance for Staff Panel: MGC
April 10, 2013 10:00 a.m.	**Blackwood & Rose Inc., Steven Zetchus and Justin Kreller (also known as Justin Kay)** s. 37, 127 and 127.1 C. Rossi in attendance for Staff Panel: JEAT
April 11-22 and April 24, 2013 10:00 a.m.	**Morgan Dragon Development Corp., John Cheong (aka Kim Meng Cheong), Herman Tse, Devon Ricketts and Mark Griffiths** s. 127 J. Feasby in attendance for Staff Panel: EPK
April 15, 2013 9:00 a.m.	**JV Raleigh Superior Holdings Inc., Maisie Smith (also known as Maizie Smith) and Ingram Jeffrey Eshun** s. 127 S. Schumacher in attendance for Staff Panel: AJL

April 15-22, April 25 – May 6 and May 8-10, 2013

10:00 a.m.

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.

s. 127

B. Shulman in attendance for Staff

Panel: JDC

April 18, 2013

10:00 a.m.

FactorCorp Inc., FactorCorp Financial Inc. and Mark Twerdun

s. 127

C. Price in attendance for Staff

Panel: CP

April 25, 2013

10:00 a.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

C. Rossi in attendance for Staff

Panel: CP

April 25, 26 and May 13, 2013

10:00 a.m.

Matthew Robert White and White Capital Corporation

s. 8

S. Horgan/C. Weiler in attendance for Staff

Panel: JEAT

April 26, 2013

11:00 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

C. Watson in attendance for Staff

Panel: EPK

April 29 – May 6 and May 8-10, 2013

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: AJL

May 9, 2013

10:00 a.m.

New Solutions Capital Inc., New Solutions Financial Corporation, New Solutions Financial (II) Corporation, New Solutions Financial (III) Corporation, New Solutions Financial (VI) Corporation and Ron Ovenden

s. 127

Y. Chisholm in attendance for Staff

Panel: TBA

May 10, 2013

10:00 a.m.

Children's Education Funds Inc.

s. 127

D. Ferris in attendance for Staff

Panel: JEAT

May 22-31, 2013 10:00 a.m.	**2196768 Ontario Ltd carrying on business as Rare Investments, Ramadhar Dookhie, Adil Sunderji and Evgueni Todorov** s. 127 D. Campbell in attendance for Staff Panel: EPK
May 27, 2013 10:00 a.m.	**AMTE Services Inc., Osler Energy Corporation, Ranjit Grewal, Phillip Colbert and Edward Ozga** s. 127 C. Rossi in attendance for Staff Panel: JEAT
June 3, June 5-17 and June 19-25, 2013 10:00 a.m.	**David Charles Phillips and John Russell Wilson** s. 127 Y. Chisholm in attendance for Staff Panel: TBA
June 3, 5-6, 10-12, 14-17, 19-20 and July 22-26, 2013 10:00 AM	**Jowdat Waheed and Bruce Walter** s. 127 J. Lynch in attendance for Staff Panel: CP/SBK/PLK
June 6, 2013 10:00 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
July 31, 2013 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
September 16-23, September 25 – October 7, October 9-21, October 23 – November 4, November 6-18, November 20 – December 2, December 4-16 and December 18-20, 2013 10:00 a.m.	**Eda Marie Agueci, Dennis Wing, Santo Iacono, Josephine Raponi, Kimberley Stephany, Henry Fiorillo, Giuseppe (Joseph) Fiorini, John Serpa, Ian Telfer, Jacob Gornitzki and Pollen Services Limited** s. 127 J, Waechter/U. Sheikh in attendance for Staff Panel: TBA
October 15-21, October 23-29, 2013 10:00 a.m.	**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
November 4 and November 6-18, 2013 10:00 a.m.	**Systematech Solutions Inc., April Vuong and Hao Quach** s. 127 D. Ferris in attendance for Staff Panel: TBA
May 5-16 and May 20 – June 20, 2014 10:00 a.m.	**Paul Azeff, Korin Bobrow, Mitchell Finkelstein, Howard Jeffrey Miller and Man Kin Cheng (a.k.a. Francis Cheng)** s. 127 T. Center/D. Campbell in attendance for Staff Panel: TBA
TBA	**Yama Abdullah Yaqeen** s. 8(2) J. Superina in attendance for Staff Panel: TBA

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

s. 127

J. Waechter in attendance for Staff

Panel: TBA

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

s. 127

K. Daniels in attendance for Staff

Panel: TBA

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

s. 127 and 127(1)

D. Ferris in attendance for Staff

Panel: TBA

TBA **Gold-Quest International and Sandra Gale**

s. 127

C. Johnson in attendance for Staff

Panel: TBA

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

s. 127

H. Craig in attendance for Staff

Panel: TBA

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

s. 127

H. Craig/C.Rossi in attendance for Staff

Panel: TBA

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

s. 127

H. Craig/C. Watson in attendance for Staff

Panel: TBA

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

s. 127

M. Vaillancourt in attendance for Staff

Panel: TBA

TBA **David M. O'Brien**

s. 37, 127 and 127.1

B. Shulman in attendance for Staff

Panel: TBA

TBA **Bunting & Waddington Inc., Arvind Sanmugam, Julie Winget and Jenifer Brekelmans**

s. 127

S. Schumacher in attendance for Staff

Panel: TBA

TBA

Colby Cooper Capital Inc., Colby Cooper Inc., Pac West Minerals Limited John Douglas Lee Mason

s. 127

B. Shulman in attendance for Staff

Panel: TBA

TBA

Beryl Henderson

s. 127

S. Schumacher in attendance for Staff

Panel: TBA

TBA

International Strategic Investments, International Strategic Investments Inc., Somin Holdings Inc., Nazim Gillani and Ryan J. Driscoll.

s. 127

C. Watson in attendance for Staff

Panel: TBA

TBA

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

s. 127 and 127.1

D. Ferris in attendance for Staff

Panel: TBA

TBA

Crown Hill Capital Corporation and Wayne Lawrence Pushka

s. 127

A. Perschy/A. Pelletier in attendance for Staff

Panel: TBA

TBA

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: TBA

TBA

Irwin Boock, Stanton Defreitas, Jason Wong, Saudia Allie, Alena Dubinsky, Alex Khodjaiants 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

D. Campbell in attendance for Staff

Panel: TBA

TBA

Ernst & Young LLP

s. 127 and 127.1

A. Clark in attendance for Staff

Panel: TBA

TBA

Newer Technologies Limited, Ryan Pickering and Rodger Frey

s. 127 and 127.1

B. Shulman in attendance for staff

Panel: TBA

TBA	**Nest Acquisitions and Mergers, IMG International Inc., Caroline Myriam Frayssignes, David Pelcowitz, Michael Smith, and Robert Patrick Zuk** s. 37, 127 and 127.1 C. Price in attendance for Staff Panel: TBA
TBA	**Sino-Forest Corporation, Allen Chan, Albert Ip, Alfred C.T. Hung, George Ho, Simon Yeung and David Horsley** s. 127 H. Craig 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 H. Craig in attendance for Staff Panel: TBA
TBA	**Fawad Ul Haq Khan and Khan Trading Associates Inc. carrying on business as Money Plus** s. 60 and 60.1 of the *Commodity Futures Act* T. Center in attendance for Staff Panel: TBA
TBA	**Global RESP Corporation and Global Growth Assets Inc.** s. 127 D. Ferris in attendance for Staff Panel: TBA
TBA	**Issam El-Bouji, Global RESP Corporation, Global Growth Assets Inc., Global Educational Trust Foundation and Margaret Singh** s. 127 and 127.1 M. Vaillancourt in attendance for Staff Panel: TBA
TBA	**Rezwealth Financial Services Inc., Pamela Ramoutar, Justin Ramoutar, Tiffin Financial Corporation, Daniel Tiffin, 2150129 Ontario Inc., Sylvan Blackett, 1778445 Ontario Inc. and Willoughby Smith** s. 127(1) and (5) A. Heydon/Y. Chisholm in attendance for Staff Panel : TBA
TBA.	**Moncasa Capital Corporation and John Frederick Collins** s. 127 T. Center in attendance for Staff Panel: EPK
TBA	**Garth H. Drabinsky, Myron I. Gottlieb and Gordon Eckstein** s. 127 A. Clark/J. Friedman in attendance for Staff Panel: TBA
TBA	**Knowledge First Financial Inc.** s. 127 D. Ferris in attendance for Staff Panel: TBA

TBA **Heritage Education Funds Inc.**

s. 127

D. Ferris in attendance for Staff

Panel: TBA

ADJOURNED SINE DIE

Global Privacy Management Trust and Robert Cranston

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

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

1.2 Notices of Hearing

1.2.1 2196768 Ontario Ltd et al. – ss. 127(1), 127.1

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

AND

IN THE MATTER OF
2196768 ONTARIO LTD
carrying on business as RARE INVESTMENTS,
RAMADHAR DOOKHIE, ADIL SUNDERJI
and EVGUENI TODOROV

AND

IN THE MATTER OF
A SETTLEMENT AGREEMENT BETWEEN
STAFF OF THE COMMISSION AND ADIL SUNDERJI

NOTICE OF HEARING
(Subsections 127(1) and 127.1)

TAKE NOTICE that the Ontario Securities Commission (the "Commission") will hold a hearing pursuant to section 127(1) and 127.1 of the Securities Act, R.S.O. 1990 c. S.5, as amended, at the Commission's temporary offices at ASAP Reporting Services, 333 Bay Street, Suite 900, Toronto, Ontario, on March 15, 2013 at 9:15 a.m. or as soon thereafter as the hearing can be held;

AND TAKE NOTICE that the purpose of the hearing is for the Commission to consider whether it is in the public interest to approve the settlement agreement between Staff of the Commission and the Respondent Adil Sunderji;

BY REASON OF the allegations set out in the Statement of Allegations dated November 22, 2011 and such additional allegations as counsel may advise and the Commission may permit;

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

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

DATED at Toronto this 13th day of March, 2013.

"John Stevenson"
Secretary to the Commission

1.2.2 CGX Energy Inc. – s. 127(1)

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

AND

IN THE MATTER OF
CGX ENERGY INC.

NOTICE OF HEARING
(Subsection 127(1))

TAKE NOTICE THAT the Ontario Securities Commission (the "Commission") will hold a hearing in writing pursuant to subsections 127(1) of the *Securities Act,* R.S.O. 1990, c. S.5, as amended (the "Act") in connection with an application (the "Application") made by CGX Energy Inc. ("CGX Energy") to the Commission on March 12, 2013;

TO CONSIDER whether, as requested by CGX Energy, it is in the public interest for the Commission to make an order pursuant to paragraph 2 of subsection 127(1) of the Act that all trading cease in respect of any securities issued, or that are proposed to be issued, under the CGX Energy Rights Plan ("Rights") and any common shares of CGX Energy to be issued upon the exercise of any Rights issued under such Plan;

AND TO CONSIDER such further and other relief as the Commission considers appropriate;

AND TAKE FURTHER NOTICE that the order requested by CGX Energy is to permit CGX Energy to proceed with a private placement to Pacific Rubiales Energy Corp. of 250,000,000 units at a price of $0.14 per unit, each unit comprised of one common share of CGX Energy and one common share purchase warrant with an exercise price of $0.20 per common share and a term of 5 years from the date of the issuance of the units;

AND TAKE FURTHER NOTICE that this matter shall proceed by written hearing on or before March 21, 2013, in accordance with Rule 11 of the Commission's *Rules of Procedure* (2012), 35 OSCB 10071, and section 5.1 of the *Statutory Powers Procedure Act*, R.S.O. 1990, c. S.22, as amended;

AND TAKE FURTHER NOTICE that any interested party may file written submissions relating to this proceeding with the Office of the Secretary of the Commission on or before March 21, 2013.

DATED at Toronto this 13th day of March, 2013.

"John Stevenson"

1.3 News Releases

1.3.1 Canadian Securities Regulators Propose Framework for Shareholder Rights Plans

FOR IMMEDIATE RELEASE
March 14, 2013

CANADIAN SECURITIES REGULATORS PROPOSE
FRAMEWORK FOR SHAREHOLDER RIGHTS PLANS

Toronto – The Canadian Securities Administrators (CSA) today published for comment proposed National Instrument 62-105 Security Holder Rights Plans, which would establish a comprehensive regulatory framework for the treatment of rights plans in Canada that would provide a target company's board and shareholders with greater discretion in the use of such plans.

The proposed rule addresses concerns about the ability of a company's board to respond to an unsolicited take-over bid by implementing a rights plan, while ensuring that shareholders support the use of the rights plan. The proposed framework would allow a rights plan adopted by a board to remain in place provided majority shareholder approval of the rights plan is subsequently obtained within specified time frames. Shareholders would also be able to terminate a rights plan at any time by majority vote.

"The CSA believe that the proposed rule will modernize, harmonize and codify an appropriate regulatory approach to rights plans in Canada," said Bill Rice, Chair of the CSA and Chair and CEO of the Alberta Securities Commission. "Barring exceptional circumstances, the decision to adopt and maintain a rights plan would be a matter for company boards and shareholders, not securities regulators."

Rights plans are a defensive tactic often adopted by a company's board in response to or in anticipation of an unsolicited or hostile take-over bid. A rights plan deters a bidder from taking up and paying for target shares by granting shareholders of the target company, other than the bidder, the right to purchase additional shares at a significant discount if an acquirer exceeds a specified share ownership threshold.

Under the existing framework, securities regulators in Canada will generally cease trade a shareholder rights plan after a limited period of time once the rights plan has given the target board sufficient time to respond to the bid. The CSA are proposing that regulators not intervene to cease trade a rights plan that has complied with the proposed framework, which is an important step in empowering the target board and shareholders in responding to a bid.

The CSA welcomes comments on proposed NI 62-105, which can be found on CSA members' websites. The comment period is open until June 12, 2013.

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

For more information:

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Ontario Securities Commission
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Richard Gilhooley
British Columbia Securities Commission
604-899-6713

Ainsley Cunningham
Manitoba Securities Commission
204-945-4733

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

Tanya Wiltshire
Nova Scotia Securities Commission
902-424-8586

Dean Murrison
Financial and Consumer Affairs
Authority of Saskatchewan
306-787-5842

Janice Callbeck
The Office of the Superintendent of
Securities, P.E.I.
902-368-6288

Rhonda Horte
Office of the Yukon Superintendent
of Securities
867-667-5466

Donn MacDougall
Northwest Territories Securities Office
867-920-8984

Doug Connolly
Financial Services Regulation Division of
Newfoundland and Labrador
709-729-2594

Louis Arki
Nunavut Securities Office
867-975-6587

1.3.2 OSC Seeks Participants to Provide Input on the CSA Discussion Paper and Request for Comment 81-407 Mutual Fund Fees

FOR IMMEDIATE RELEASE
March 19, 2013

OSC SEEKS PARTICIPANTS TO PROVIDE INPUT ON THE CSA DISCUSSION PAPER AND REQUEST FOR COMMENT 81-407 MUTUAL FUND FEES

TORONTO – The Ontario Securities Commission (OSC) announced today that it will hold a roundtable to further explore and discuss the issues identified in CSA Discussion Paper and Request for Comment 81-407 *Mutual Fund Fees*. Other jurisdictions of the Canadian Securities Administrators (CSA) may hold similar consultations.

The OSC roundtable will take place Friday, June 7, 2013 on the 22nd floor of the Commission's offices, located at 20 Queen Street West, Toronto, Ontario.

OSC staff will organize a stakeholder panel featuring investors, various segments of the mutual fund industry and other financial industry stakeholders.

Interested parties wishing to participate in the OSC roundtable are asked to first submit written comments on the Discussion Paper by April 12, 2013 to the addresses outlined in the Paper and then contact Chantal Mainville at cmainville@osc.gov.on.ca to indicate interest in participating.

Based on the list of interested parties, OSC staff will contact specific participants to act as panellists and to speak to specific points raised in their submissions. Panellists will be selected in such a way as to reflect the diversity of views on the subject in order to present a balanced debate. The OSC expects to issue a notice by May 17, 2013 with additional details, including the final agenda and list of panellists.

Published on December 13, 2012, the purpose of the CSA Discussion Paper is to examine the current mutual fund fee structure in Canada and begin discussions with investors, mutual fund industry participants and other financial industry stakeholders, in order to determine whether any regulatory responses are needed to enhance investor protection and foster confidence in our markets.

The CSA indicated intentions to convene a roundtable in the Discussion Paper, to further explore the topic and comment letters received, in order to inform the CSA's next steps.

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1.3.3 OSC's Investor Advisory Panel Releases Survey Findings on Adviser/Investor Relationship

OSC'S INVESTOR ADVISORY PANEL RELEASES
SURVEY FINDINGS ON ADVISER/INVESTOR RELATIONSHIP

March 18, 2013 (Toronto, Ontario) – The Investor Advisory Panel (IAP) today released "Strengthening Investor Protection in Ontario - Speaking with Ontarians". The study, conducted on behalf of the IAP and the Investor Education Fund (IEF), explores the views of more than 2,000 Ontario investors regarding their relationships with their financial advisers and how they perceive and use investment product information and advice.

"This investor research will inform and support our recommendations to the Ontario Securities Commission regarding future statements of priorities," said IAP Chair Paul Bates. "The research will also inform our positions regarding investor protection initiatives, including the introduction of a statutory best interest duty to replace the current inadequate suitability regime and reforms to mutual funds' compensation structures in Canada".

Highlights of the study include:

- *While investors generally trust the advice of their financial advisers, two things highlight the skepticism that many investors feel. Only 20% of investors strongly agree that they generally trust their financial adviser's advice and 25% strongly agree (39% agree- 64% overall) that how a financial adviser is paid impacts the recommendations that they receive. Advisers need to give their clients greater assurance that their best interest is being served.*

- *There is strong support for a statutory best interest duty: 93% agree that it is needed (with 59% strongly agreeing that it is needed).*

- *Investors want strengthened regulation of financial advisers, including clearer professional standards on use of the title, rigorous educational requirements and ethics training, and stricter regulatory enforcement of the rules.*

- *An investor/adviser power imbalance exists for most but is particularly problematic for those who lack confidence in their financial literacy. This places advisers in a powerful position. The majority (58%) rely on their financial adviser as their main source of information. More than four in ten do not know how their adviser is being paid.*

The project was initiated and directed by the IAP and the IEF and received administrative support and funding from the Ontario Securities Commission. The IAP and IEF Project Team – IEF President Tom Hamza and IAP Past Chair Anita Anand, former IAP member Steve Garmaise, current IAP Chair Paul Bates and current IAP member Nancy Averill – engaged Ascentum Inc. to conduct the research project. 2,030 Ontarians from the Ekos Probit research panel participated in the online survey and 52 participants took part in one of two in-person dialogue sessions. In addition to the quantitative data generated by the online survey, nearly 82,000 words of qualitative text were analyzed, roughly the same length as one and a half copies of "The Wealthy Barber Revisited". The findings and analysis are intended to support and inform the work of the Investor Advisory Panel and the Investor Education Fund in their efforts to strengthen investor protection and investor education in Ontario.

The Investor Advisory Panel is an independent body established by the Ontario Securities Commission in 2010. Its mandate is to represent the views of retail investors to the OSC in its rule and policy making process.

The full study and accompanying documents (Choicebook and Dialogue Guide) are available on line.

Contact:

Paul Bates
Chair, Investor Advisory Panel
batesp@mcmaster.ca
905-525-9140, ext 20512

1.4 Notices from the Office of the Secretary

1.4.1 Axcess Automation LLC et al.

FOR IMMEDIATE RELEASE
March 13, 2013

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

AND

IN THE MATTER OF
THE COMMODITY FUTURES ACT,
R.S.O. 1990, c. C.20, AS AMENDED

AND

IN THE MATTER OF
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

TORONTO – The Commission issued its Reasons and Decision on Sanctions and Costs and an Order in the above noted matter.

A copy of the Reasons and Decision on Sanctions and the Order dated March 12, 2013 are available at www.osc.gov.on.ca.

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1.4.2 2196768 Ontario Ltd et al.

FOR IMMEDIATE RELEASE
March 13, 2013

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

AND

IN THE MATTER OF
2196768 ONTARIO LTD
carrying on business as RARE INVESTMENTS, RAMADHAR DOOKHIE, ADIL SUNDERJI and EVGUENI TODOROV

AND

IN THE MATTER OF
A SETTLEMENT AGREEMENT BETWEEN STAFF OF THE COMMISSION AND ADIL SUNDERJI

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 Adil Sunderji. The hearing will be held on March 15, 2013 at 9:15 a.m. at the Commission's temporary offices at ASAP Reporting Services, 333 Bay Street, Suite 900, Toronto, Ontario

A copy of the Notice of Hearing dated March 13, 2013 is available at www.osc.gov.on.ca.

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1.4.3 CGX Energy Inc.

FOR IMMEDIATE RELEASE
March 13, 2013

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

AND

IN THE MATTER OF
CGX ENERGY INC.

TORONTO – The Commission issued a Notice of Hearing pursuant to subsection 127(1) of the *Securities Act* to consider the Application made by CGX Energy Inc. to the Commission on March 12, 2013.

A copy of the Notice of Hearing dated March 13, 2013 and the Application dated March 12, 2013 are available at www.osc.gov.on.ca.

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1.4.4 2196768 Ontario Ltd et al.

FOR IMMEDIATE RELEASE
March 14, 2013

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

AND

IN THE MATTER OF
2196768 ONTARIO LTD carrying on business as
RARE INVESTMENTS, RAMADHAR DOOKHIE,
ADIL SUNDERJI and EVGUENI TODOROV

TORONTO – The Commission issued an Order in the above matter, which provides that,

1. the hearing on the merits is adjourned on a peremptory basis as against Todorov;

2. the hearing dates of March 18, 19, 20, 21, 22, 25, 27 and 8, 2013 are vacated; and

3. the hearing on the merits shall begin on Wednesday, May 22, 2013 at 10:00 a.m. and shall continue on May 23, 24, 27, 28, 29, 30 and 31, 2013.

A copy of the Order dated March 13, 2013 is available at www.osc.gov.on.ca.

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1.4.5 Peter Sbaraglia

FOR IMMEDIATE RELEASE
March 14, 201

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

AND

IN THE MATTER OF
PETER SBARAGLIA

TORONTO – The Commission issued its Oral Reasons and Decision on a Motion to Quash a Summons in the above named matter.

A copy of the Oral Reasons and Decision on a Motion to Quash a Summons dated March 14, 2013 is available at www.osc.gov.on.ca.

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1.4.6 KEYreit and Huntingdon Capital Corp.

FOR IMMEDIATE RELEASE
March 15, 2013

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

AND

IN THE MATTER OF
KEYREIT and HUNTINGDON CAPITAL CORP.

TORONTO – The Commission issued an Order following a hearing held yesterday in the above named matter.

A copy of the Order dated March 14, 2013 is available at www.osc.gov.on.ca.

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1.4.7 Gold-Quest International and Sandra Gale

FOR IMMEDIATE RELEASE
March 15, 2013

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

AND

IN THE MATTER OF
GOLD-QUEST INTERNATIONAL and
SANDRA GALE

TORONTO – Staff of the Ontario Securities Commission filed an Amended Statement of Allegations in the above named matter.

A copy of the Amended Statement of Allegations dated March 6, 2013 is available at www.osc.gov.on.ca.

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

AND

IN THE MATTER OF
GOLD-QUEST INTERNATIONAL and
SANDRA GALE[1]

AMENDED STATEMENT OF ALLEGATIONS
OF STAFF OF THE ONTARIO SECURITIES COMMISSION

Staff of the Ontario Securities Commission ("Staff") make the following allegations regarding violations of the *Securities Act*, R.S.O 1990, c. S.5, as amended (the "Act") and conduct contrary to the public interest:

I. THE RESPONDENTS

(i) Gold-Quest International

1. Gold-Quest International ("Gold-Quest") is a Panamanian corporation that was controlled by a number of individuals resident in the United States.

2. From June 2006 to May 2008, Gold-Quest accepted approximately $29 million (U.S.) from investors, including investors in Ontario, through direct solicitations, an Internet website maintained by Gold-Quest and by referrals from existing investors.

(ii) The Ontario Respondents

3. 1725587 Ontario Inc., carrying on business as Health and Harmoney, ("Health and Harmoney") is an Ontario corporation that was incorporated on September 20, 2007. Prior to being incorporated, Health and Harmoney operated as a general partnership whose business name was registered on November 14, 2006 with the Province of Ontario. Health and Harmoney carried out its business from an office located at Unit 390, 1288 Ritson Road North, Oshawa, Ontario.

4. The Harmoney Club Inc. (the "Harmoney Club") is a Canadian corporation that was incorporated on December 21, 2007. The Harmoney Club also carried out its business from an office located at Unit 390, 1288 Ritson Road North, Oshawa, Ontario.

5. Donald Iain Buchanan ("Iain Buchanan") is a director of both Health and Harmoney and the Harmoney Club. Iain Buchanan was also one of the partners of Health and Harmoney when it operated as a general partnership. Iain Buchanan resides in Oshawa, Ontario.

6. Lisa Buchanan is an employee of Health and Harmoney and a director of the Harmoney Club. Lisa Buchanan resides in Oshawa, Ontario.

7. Sandra Gale, also known as Sandi Gale, ("Gale") is a director of both Health and Harmoney and the Harmoney Club. Gale was also one of the partners of Health and Harmoney when it operated as a general partnership. Gale resides in Oshawa, Ontario.

8. Gold-Quest and Gale are collectively referred to as the "Respondents".

II. TRADING IN SECURITIES OF GOLD-QUEST

(i) The Gold-Quest Pyramid Scheme

9. Individuals that introduced an investor to Gold-Quest would receive the title "Administrative Manager" for the new investor. Administrative Managers would receive an up-front commission of 10% of that investor's original investment and then a further 4% per month for a year (for a total commission of 58% of the principal invested). The individual who

[1] The Commission issued Reasons and Decision and an Order dated November 26, 2010 imposing sanctions on Iain Buchanan and Lisa Buchanan, each of whom had originally been named as a respondent in a Statement of Allegations dated March 12, 2009. Further, Staff withdrew the allegations against 1725587 Ontario Inc., carrying on business as Health and Harmoney, and Harmoney Club Inc., each of whom were also originally named as respondents to this matter, in a Notice of Withdrawal dated March 4, 2013.

introduced the Administrative Manager to Gold-Quest would receive the title "Managing Director" for the new investor and would receive a commission of 1.5% per month (for a year for a total of 18% of the principal invested). Lastly, the individual who introduced the Managing Director to Gold-Quest would receive the title "Supervisory Managing Director" for the new investor and would receive a commission of 1% per month for one year (for a total of 12% of the principal invested). In sum, when a new investor sent funds to Gold-Quest, 88% of that investor's funds were earmarked for commissions to be paid to their Administrative Manager, Managing Director and the Supervisory Managing Director over the course of a year.

10. From June 2006 until May, 2008, despite receiving no income from its investments or business operations, Gold-Quest disbursed $20.3 million (U.S.) through distributions to investors and payment of commissions as set out in paragraph 9.

11. On May 6, 2008, the Securities and Exchange Commission of the United States (the "SEC") filed a complaint in the United States District Court, District of Nevada, alleging that Gold-Quest was operating a pyramid or "Ponzi" scheme. Gold-Quest has never been registered in any capacity with the SEC. The SEC further alleged that Gold-Quest used very little of the money that it raised for legitimate investments but rather the vast majority of new investor funds was used by Gold-Quest to make payments to current investors and commissions to participants in the Ponzi scheme.

12. Gold-Quest has ceased to operate and has been put into receivership by order of the United States District Court. As of December 12, 2008, the receiver appointed by the United States District Court had only recovered $273,475.85 (U.S.).

(ii) Trading in Gold-Quest Securities in Ontario

13. Gold-Quest has never been registered in any capacity with the Ontario Securities Commission (the "Commission").

14. No preliminary prospectus or prospectus has ever been filed with the Commission to attempt to qualify the trading of Gold-Quest securities.

15. From November of 2006 until February of 2008 (the "Material Time"), Health and Harmoney and Gale along with Iain Buchanan and Lisa Buchanan (the "Buchanans") and the other employees, representatives and agents of Health and Harmoney promoted the trading of securities in Gold-Quest to Ontario residents (the "Gold-Quest Investors").

16. Throughout the Material Time, Gale was not registered in any capacity with the Commission.

17. During the Material Time, the Gold-Quest Investors sent over $1,800,000 (U.S.) to Gold-Quest as a result of promotional and trading activities by Gale and the Buchanans. These activities included recommending investing with Gold-Quest, providing specific information regarding the nature of the investment with Gold-Quest, providing the documents required to invest with Gold-Quest, and in certain cases facilitating the transfer of funds to Gold-Quest on behalf of investors.

18. The Gold-Quest Investors entered into one-year investment contracts with Gold-Quest. Gold-Quest stated investor funds would be invested in the foreign exchange or "forex" market. Gold-Quest informed the Gold-Quest Investors that they would receive an annual return on investment equal to 87.5% of the funds invested with Gold-Quest. However, in order to receive this 87.5% investment return, the Gold-Quest Investors were required to leave their funds with Gold-Quest for a year.

19. Gale was well aware of the terms of the investment contracts entered into by the Gold-Quest Investors as well as the commission structure outlined above in paragraph 9. However, Gale did not inform the Gold-Quest Investors of this commission structure.

20. There were no exemptions under the Act which allowed Gale to trade Gold-Quest securities in Ontario.

III. TEMPORARY CEASE TRADE ORDERS IN ONTARIO

21. On April 1, 2008, the Commission issued a temporary order under sections 127(1) and (5) of the Act (the "Temporary Order"). Pursuant to the Temporary Order, Health and Harmoney and the Buchanans were prohibited from trading in any securities and any exemptions contained in Ontario securities law did not apply to Health and Harmoney and the Buchanans.

22. The Temporary Order also prohibited any further trading in securities of Gold-Quest.

IV. TRADING IN SECURITIES OF THE HARMONEY CLUB

23. The Harmoney Club offered securities in this corporation to approximately 138 Ontario investors (the "Harmoney Club Investors") from October of 2007 until July of 2008.

24. Through the activities of Gale and the Buchanans, the Harmoney Club received almost $2.5 million (U.S.) from the Harmoney Club Investors. These funds were then apparently used by the Harmoney Club for investments in the United States.

25. No preliminary prospectus or prospectus has ever been filed with the Commission to attempt to qualify the trading of Harmoney Club securities.

26. There were no exemptions under the Act available to Gale allowing her to trade Harmoney Club securities.

27. Over half of the Harmoney Club Investors purchased shares in the Harmoney Club from Gale and the Buchanans after April 1, 2008, the date of the Temporary Order.

V. MISLEADING THE COMMISSION

28. Gale had notice of the Temporary Order in April of 2008. On October 16, 2008, Gale stated to Staff that when she became aware of the Temporary Order she ceased trading in securities including securities of the Harmoney Club.

29. Gale continued to trade in securities of the Harmoney Club after she became aware of the Temporary Order.

VI. ALBERTA SECURITIES COMMISSION PROCEEDINGS

30. On May 19, 2009, Staff of the Alberta Securities Commission (the "ASC") filed an amended Notice of Hearing alleging that Gold-Quest illegally traded and distributed securities in contravention of the Alberta *Securities Act*, R.S.A. 2000, c. S-4, as amended (the "Alberta Securities Act"). The conduct underlying those alleged breaches also forms the basis of the Statement of Allegations issued by Staff in this proceeding.

31. On January 14, 2010, the ASC issued a decision finding that Gold-Quest engaged in unregistered trading and an illegal distribution, in doing so act contrary to the public interest, and made misleading and untrue statements about Gold-Quest securities in contravention of the Alberta *Securities Act*.

VII. VIOLATIONS OF THE SECURITIES ACT AND CONDUCT CONTRARY TO THE PUBLIC INTEREST

32. The conduct of Gold-Quest including its officers and directors, employees, representatives and agents was contrary to the public interest and constituted the following breaches of the Act:

    (i) trading without registration contrary to section 25 of the Act;

    (ii) an illegal distribution of securities contrary to section 53 of the Act; and

    (iii) Gold-Quest has been found by the ASC to have contravened the laws of that jurisdiction respecting the buying or selling of securities, which are circumstances which permit an order to be made pursuant to clause 3 of subsection 127(10) of the Act.

33. The conduct of Gale was contrary to the public interest and constituted the following breaches of the Act:

    (i) trading without registration contrary to section 25 of the Act;

    (ii) illegal distributions of securities contrary to section 53 of the Act; and

    (iii) misleading Staff contrary to subsection 122(1) of the Act.

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

DATED at Toronto, March 6, 2012

1.4.8 2196768 Ontario Ltd

FOR IMMEDIATE RELEASE
March 15, 2013

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

AND

IN THE MATTER OF
2196768 ONTARIO LTD carrying on business as
RARE INVESTMENTS, RAMADHAR DOOKHIE,
ADIL SUNDERJI and EVGUENI TODOROV

IN THE MATTER OF
A SETTLEMENT AGREEMENT BETWEEN STAFF OF
THE ONTARIO SECURITIES COMMISSION AND
ADIL SUNDERJI

TORONTO – Following a hearing held today, the Commission issued an Order in the above named matter approving the Settlement Agreement reached between Staff of the Commission and the respondent, Adil Sunderji.

A copy of the Order March 15, 2013 and Settlement Agreement March 13, 2013 are available at www.osc.gov.on.ca.

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1.4.9 Bernard Boily

FOR IMMEDIATE RELEASE
March 18, 2013

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

AND

IN THE MATTER OF
BERNARD BOILY

TORONTO – The Commission issued an Order in the above named matter which provides that,

1. the dates of March 25, 27 and 28, 2013 scheduled for the hearing on the merits of this matter shall be vacated; and

2. the hearing on the merits shall commence on April 8, 2013 at 1:00 p.m. and shall continue thereafter on April 10, 11, 12, 17 and 19, May 13, 14, 15, 16, 17 and 22, and June 24, 25, 26, 27 and 28, 2013 commencing each day at 10 a.m.

A copy of the Order dated March 18, 2013 is available at www.osc.gov.on.ca.

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1.4.10 Newer Technologies Limited et al.

FOR IMMEDIATE RELEASE
March 19, 2013

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

AND

IN THE MATTER OF
NEWER TECHNOLOGIES LIMITED,
RYAN PICKERING AND RODGER FREY

TORONTO – The Commission issued an Order in the above named matter which provides that a confidential pre-hearing conference shall take place on July 9, 2013 at 10:00 a.m. or as soon thereafter as the hearing can be held.

The pre-hearing conference will be *in camera*.

A copy of the Order dated March 18, 2013 is available at www.osc.gov.on.ca.

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Chapter 2

Decisions, Orders and Rulings

2.1 Decisions

2.1.1 Premier Gold Mines Limited

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – issuer made acquisition that met the profit and loss test under Part 8 of NI 51-102, thus requiring the filing of a business acquisition report – issuer subsequently, and before the date the business acquisition report is required to be filed, disposed of the business – issuer granted relief from requirement to file pro forma financial statements.

Applicable Legislative Provisions

National Instrument 51-102 Continuous Disclosure Obligations, Part 8 and s. 13.1.

March 8, 2013

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
PREMIER GOLD MINES LIMITED
(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 exemptive relief pursuant to Part 13 of National Instrument 51-102 – *Continuous Disclosure Obligations* ("NI 51-102") from the requirement to include pro forma financial statements in the business acquisition report that is required to be filed under Part 8 of NI 51-102 (a "BAR") in respect of the December 4, 2012 transaction between Bridgeport Ventures Inc. ("Bridgeport") the Filer and Premier Royalty Corporation ("Royalty Subco").

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

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

(b) the Filer has provided notice that section 4.7(1) of Multilateral Instrument 11-102 *Passport System* ("MI 11-102") is intended to be relied upon in British Columbia, Alberta, Saskatchewan, Manitoba, Quebec, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland and Labrador.

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:

1. The Filer is a corporation established under the laws of the Province of Ontario and its head office is located in Thunder Bay, Ontario.

2. The Filer is a reporting issuer under the securities legislation in each of the provinces of Canada.

3. The common shares of Premier Gold are listed for trading on the Toronto Stock Exchange under the trading symbol "PG".

4. On December 4, 2012, Bridgeport acquired the Filer's wholly-owned subsidiary, Royalty Subco, by way of a plan of arrangement pursuant to the *Business Corporations Act* (Ontario) (the "Arrangement"). The common shares of Bridgeport were consolidated on the basis of one post-consolidation Bridgeport common share for every four (4) existing Bridgeport common shares. Bridgeport then issued 18,976,350 post-consolidation Bridgeport common shares ("Resulting Issuer Shares") to the Filer. In connection with the Arrangement, Bridgeport's name was changed to "Premier Royalty Inc." (the "Resulting Issuer").

5. The Filer had previously provided a bridge loan facility (the "Bridge Loan") to Royalty Subco in connection with the acquisition by Royalty Subco of certain royalties. In addition to stipulated cash payback provisions at 8% interest ($8 million on closing of the Arrangement and the balance within one year), the Filer had a one-time right to effectively convert all or a portion of the Bridge Loan into units of the Resulting Issuer at a price of

$1.40 per unit (on a post-consolidation basis) prior to the closing of the Arrangement.

6. On December 4, 2012, the Filer converted $20.56 million outstanding under the Bridge Loan into 14,633,471 Resulting Issuer Shares and an aggregate of 6,965,676 warrants to purchase Resulting Issuer Shares ("Resulting Issuer Warrants").

7. Upon the completion of the Arrangement, the Filer held approximately 33.7 million Resulting Issuer Shares, which represented approximately 53.47% of the issued and outstanding Resulting Issuer Shares (on a non-diluted basis).

8. Under Part 8 of NI 51-102, the Filer is required to file a BAR within 75 days of any completed acquisition that is determined to be significant based on the acquisition satisfying any of the three significance tests set out in subsection 8.3(2) of NI 51-102.

9. The Arrangement is a significant acquisition under the income test in subsection 8.3(2) of NI 51-102, and therefore requires the Filer to file a BAR. The Filer had a loss before tax of approximately $15.17 million for the year ended December 31, 2011 and Bridgeport had a net loss before tax of approximately $7.2 million for the year ended April 30, 2012, which represents 25.7% of the proportionate share of Filer's loss before tax of $15.17 million.

10. Under section 8.4 of NI 51-102, the BAR is required to include, among other things, *pro forma* financial statements of the Filer after giving effect to the Arrangement.

11. On January 28, 2013, all of the Resulting Issuer Shares and Resulting Issuer Warrants held by the Filer were sold (the “Disposition Transaction”) to Sandstorm Gold Ltd. by way of private agreement. As a result, the Filer did not own any Resulting Issuer Shares and Resulting Issuer Warrants prior to the 75th day after the completion of the Arrangement.

12. As the Disposition Transaction was completed prior to the deadline to prepare a BAR, *pro forma* financial statements of the Filer after giving effect to the Arrangement are not relevant to investors. The objective of *pro forma* financial statements is to illustrate the impact of a transaction on a reporting issuer’s financial position and financial performance. Since the Filer no longer owns any equity in the Resulting Issuer as a result of the Disposition Transaction, *pro forma* financial statements could be confusing and misleading to investors. The audited consolidated financial statements of Bridgeport for the years ended April 30, 2012 and 2011 and the unaudited consolidated interim financial statements of Bridgeport for the three and six months ended October 31, 2012 and comparable periods in the immediately preceding financial year, to be included in the BAR will provide investors with all necessary disclosure regarding Bridgeport.

13. Except for the failure to file the BAR for the Arrangement, the Filer is not in default of any requirement of the Legislation.

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 requirement to include *pro forma* financial statements in the BAR in respect of the Arrangement shall not apply, subject to the Filer filing with, or incorporating by reference into, the BAR the audited financial statements of Bridgeport for the years ended April 30, 2012 and 2011 and the unaudited consolidated interim financial statements of Bridgeport for the three and six months ended October 31, 2012 and comparable periods in the immediately preceding financial year.

“Kathryn Daniels “
Deputy Director, Corporate Finance
Ontario Securities Commission

2.1.2 Endeavour Silver Corp.

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – National Instrument 52-107, s. 5.1 Acceptable Accounting Principles and Auditing Standards – An issuer wants relief from the requirement that financial statements required by securities legislation to be audited must be accompanied by an auditor's report that does not contain a reservation – The issuer made a significant acquisition of wholly owned subsidiaries of a public company; the underlying information needed to support an unqualified auditor's opinion on the acquisition statements is not available; the issuer can otherwise comply with the acquisition statement requirements for a business acquisition report (BAR); the BAR will contain sufficient alternative information about the acquisition.

Applicable Legislative Provisions

National Instrument 52-107 Acceptable Accounting Principles and Auditing Standards, ss. 3.12, 5.1.

February 26, 2013

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

AND

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

AND

IN THE MATTER OF
ENDEAVOUR SILVER CORP.
(the Filer)

DECISION

Background

1 The securities regulatory authority or regulator in each of the Jurisdictions (the Decision Maker) has received an application from the Filer for a decision under the securities legislation of the Jurisdictions (the Legislation) exempting the Filer from the requirement in subsection 3.12(2) of National Instrument 52-107 *Acceptable Accounting Principles and Auditing Standards* (NI 52-107) that an auditor's report accompanying audited acquisition statements must express an unmodified opinion (the GAAS Relief).

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

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

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

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

Interpretation

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

Representations

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

1. the Filer was incorporated on March 11, 1981, under the former *Company Act* (British Columbia); the Filer's head office is located at Suite 301-700 West Pender Street, Vancouver, British Columbia V6C 1G8;

2. the Filer is a reporting issuer in all provinces of Canada;

3. the Filer is authorized to issue an unlimited number of common shares, of which 99,688,010 common shares were issued and outstanding as at February 1, 2013;

4. the common shares of the Filer are listed and posted for trading on the Toronto Stock Exchange (TSX) and on the New York Stock Exchange;

5. MXRT Holdings Ltd. (MXRT Holdings) was formed by an amalgamation of two corporations on May 23, 2003, under the *Business Corporations Act* (Ontario) (the Ontario Act);

6. MXRT Holdings later became a reporting issuer in British Columbia, Alberta, Ontario, and New Brunswick and its shares were listed and traded on the TSX Venture Exchange until August 8, 2006, when AuRico Gold Inc., formerly Gammon Lake Resources Inc. (AuRico), a TSX-listed company, acquired all of the issued and outstanding shares of MXRT Holdings pursuant to a plan of arrangement (the Arrangement) under the Ontario Act;

7. by completing the Arrangement, AuRico indirectly acquired certain mineral concessions and related assets located in Mexico (the Mexican Assets) that were held by certain Mexican subsidiaries of MXRT Holdings (the Mexican Subsidiaries); the Mexican Subsidiaries were directly owned by MXRT Holdings (as to a 99.48% to 98.00% majority interest) and directly owned by AuRico (as to a 0.52% to 2.00% minority interest);

8. on July 13, 2012, the Filer indirectly acquired the Mexican Assets from AuRico through the purchase of all of AuRico's shareholdings in MXRT Holdings together with all of AuRico's direct minority interests in the Mexican Subsidiaries under an acquisition agreement dated April 13, 2012, as amended June 28, 2012, between the Filer and AuRico (the Transaction);

9. the Transaction constituted a "significant acquisition" by the Filer under section 8.3 of National Instrument 51-102 *Continuous Disclosure Obligations* (NI 51-102), which triggered the requirement for the Filer to file a business acquisition report (BAR) within 75 days of the Transaction (by September 26, 2012);

10. to comply with subsection 8.4 of NI 51-102, the Filer's BAR must include, among other things, audited annual financial statements of MXRT Holdings for the financial year ended December 31, 2011 (the 2011 Annual Financial Statements);

11. under section 3.12 of NI 52-107, acquisition statements that are required by securities legislation to be audited must be accompanied by an auditor's report that expresses an unmodified opinion;

12. separate financial statements of MXRT Holdings (on a consolidated basis with the Mexican Subsidiaries) have never been prepared by AuRico management and AuRico historically prepared its financial statements on a consolidated basis with AuRico and all of its subsidiaries;

13. in preparing its financial statements on a consolidated basis, AuRico's materiality threshold for the collection and verification of data, and information in respect of its subsidiaries (including the Mexican Subsidiaries) and their operations, is at a significantly higher level than the materiality threshold that would apply to preparing financial statements for MXRT Holdings as a separate entity;

14. although the Filer has prepared the 2011 Annual Financial Statements to the best of its knowledge using information that is presently available from AuRico, the Filer's auditor has represented to the Filer that it is unable to verify the existence of certain assets due to the lack of sufficient underlying information and the passage of time;

15. in particular, the Filer's auditor has represented to the Filer that the following items result in a qualified opinion in respect of the 2011 Annual Financial Statements:

    (a) *Inventory* – The count procedures used by AuRico's auditor to verify supplies inventory and work-in-process inventory were based on the materiality threshold for AuRico's consolidated financial statements. A stand-alone audit of MXRT Holdings would have required larger samples to meet

generally accepted auditing standards. Such sampling can no longer be undertaken. Due to the passage of time, other procedures, such as "inventory roll" procedures, were insufficient to provide the Filer's auditor with evidence to verify the existence of supplies inventory and work-in-process inventory;

(b) *Capital Costs* – Mine development costs, which represent a component of MXRT Holdings' mineral property, plant and equipment, cannot be verified by the Filer's auditor, because the materiality threshold for MXRT Holdings would require detailed sampling at a lower materiality threshold from 2006 to 2011. The Filer is unable to verify development allocations to the lower materiality threshold due to the lack of detailed information and historic turnover of MXRT Holdings' staff. The Filer was advised by its auditor that sufficient audit procedures could not be performed on the allocation of mine development costs between capital and expense for costs incurred before December 31, 2010; and

(c) *Cost of Sales* – Because the Filer's auditor is unable to verify supplies inventory, work-in-process inventory, and depletion expense associated with mine development costs, they also cannot perform sufficient audit procedures on the Cost of Sales;

(collectively, the Qualified Matters)

16. apart from the requirement to provide an unmodified audit opinion on the 2011 Annual Financial Statements, the Filer is otherwise able to prepare and file the BAR in accordance with NI 51-102 and NI 52-107; and

17. except for the failure to file the BAR for the Transaction, the Filer is not in default of any requirement of Canadian securities laws.

Decision

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

The decision of the Decision Makers under the Legislation is that the GAAS Relief is granted provided that the Filer includes the following financial information in the BAR for the Transaction:

(a) the 2011 Annual Financial Statements accompanied by an auditor's report that expresses a qualified opinion and the qualification is only in respect of the Qualified Matters;

(b) unaudited annual financial statements of MXRT Holdings for the financial year ended December 31, 2010, in accordance with section 8.4(1) of NI 51-102;

(c) the financial statements referred to in (a) and (b) include continuity schedules for consolidated mineral property interest that detail amounts capitalized, depletion for the year, and any impairment charges or reversals;

(d) unaudited interim financial statements of MXRT Holdings for the six-month period ended June 30, 2012, and comparative period in the immediately preceding financial year;

(e) an audited statement of assets acquired and liabilities assumed by the Filer as at the closing date of the Transaction; and

(f) pro forma financial statements of the Filer giving effect to the Transaction, in accordance with section 8.4(5) of NI 51-102 and consisting of:

(i) a pro forma statement of financial position as at June 30, 2012;

(ii) pro forma statements of comprehensive income for the year ended December 31, 2011, and the six-month period ended June 30, 2012; and

(iii) pro forma earnings per share information of the Filer based on the pro forma statements of comprehensive income referred to in (ii).

"Peter Brady"
Director, Corporate Finance
British Columbia Securities Commission

2.1.3 Skope Energy Inc. – s. 1(10)

Headnote

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

Ontario Statutes

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

March 12, 2013

Borden Ladner Gervais LLP
Centennial Place, East Tower
1900, 520 - 3rd Ave. SW
Calgary, AB T2P 0R3

Attention: Melissa Smith

Dear Madam:

Re: Skope Energy Inc. (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 that the Applicant is not a reporting issuer.

In this decision, "securityholder" means, for a security, the beneficial owner of the security.

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 securityholders in each of the jurisdictions of Canada and fewer than 51 securityholders in total worldwide;

(b) no securities of the Applicant, including debt securities, are traded in Canada or another country on a marketplace as defined in National Instrument 21-101 *Marketplace Operation* or any other facility for bringing together buyers and sellers of securities where trading data is publicly reported;

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

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

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

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

2.1.4 Ally Credit Canada Limited – s. 1(10)(a)(ii)

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)(a)(ii).

March 15, 2013

Ally Credit Canada Limited
200 Bay Street, 9th Floor
Royal Bank Plaza, south Tower
Toronto, ON M5J 2J5

Dear Sirs/Mesdames:

Re: Ally Credit Canada Limited (the Applicant) – Application for a decision under the securities legislation of Alberta, Saskatchewan, Manitoba, Ontario, Quebec, New Brunswick, Nova Scotia, Prince Edward Island, Newfoundland and Labrador, Yukon, Northwest Territories and Nunavut (the Jurisdictions) that the Applicant is not a reporting issuer

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

In this decision, "securityholder" means, for a security, the beneficial owner of the security.

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 securityholders in each of the jurisdictions of Canada and fewer than 51 securityholders in total worldwide;

(b) no securities of the Applicant, including debt securities, are traded in Canada or another country on a marketplace as defined in National Instrument 21-101 *Marketplace Operation* or any other facility for bringing together buyers and sellers of securities where trading data is publicly reported;

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

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

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

"Lisa Enright"
Manager, Corporate Finance
Ontario Securities Commission

2.1.5 U.S. Global Investors Inc. et al.

Headnote

NP 11-203 – Process for Exemptive Relief Applications in Multiple Jurisdictions – Approval granted for change of control of mutual fund manager under s. 5.5(2) of NI 81-102 – The Filer has no current plans to change the manager of the Funds, or to amalgamate or merge the current manager with any other entity, for the foreseeable future – Change of control will result in 50%, equal ownership of the Manager by two separate parties.

Applicable Legislative Provisions

National Instrument 81-102 Mutual Funds, ss. 5.5(2), 19.1.

March 12, 2013

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
U.S. GLOBAL INVESTORS INC.

AND

IN THE MATTER OF
GALILEO GLOBAL EQUITY ADVISORS INC.
(the Manager or GGEA)
(collectively, the Filers)

AND

GALILEO HIGH INCOME PLUS FUND and
GALILEO GLOBAL OPPORTUNITIES FUND
(the Funds)

DECISION

Background

The principal regulator in the Jurisdiction (the **Decision Maker**) has received an application from the Filers for a decision under the securities legislation of the Jurisdiction of the principal regulator (the **Legislation**) for approval pursuant to subsection 5.5(2) of National Instrument 81-102 *Mutual Funds* (**NI 81-102**) of a change of control of the Manager (the **Approval Sought**).

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

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

(b) the 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 Alberta, British Columbia, Manitoba, New Brunswick, Nova Scotia, Prince Edward Island, Québec, Saskatchewan, Northwest Territories, Yukon and Nunavut (together with Ontario, the **Jurisdictions**).

Interpretation

Terms defined in National Instrument 14-101 *Definitions* and MI 11-102 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:

The Manager and the Funds

1. The Manager is a corporation incorporated under the laws of the Province of Ontario. The Manager's head office is located in Ontario.

2. The Manager is registered: (a) in Ontario, as an exempt market dealer, portfolio manager and investment fund manager, (b) in Alberta, as a portfolio manager, (c) in Manitoba, as a portfolio manager, (d) in British Columbia, as a portfolio manager, (e) in Nova Scotia, as a portfolio manager, (f) in Québec, as a portfolio manager and exempt market dealer, (g) in New Brunswick, as an exempt market dealer, and (h) in Newfoundland and Labrador, as an exempt market dealer. The Manager is not in default of securities legislation in any of the Jurisdictions.

3. The Manager is the investment fund manager and trustee of Galileo High Income Plus Fund and Galileo Global Opportunities Fund (collectively, the **Funds**), and provides investment advice and portfolio management services to the Funds.

4. Prior to July 31, 2012, the manager and trustee of the Funds was Galileo Funds Inc. (**GFI**), a wholly-owned subsidiary of the Manager, and the portfolio adviser of the Funds was GGEA. On July 31, 2012, GGEA amalgamated with its wholly-owned subsidiary, GFI, by way of a short-from vertical amalgamation pursuant to section 177 of the Ontario *Business Corporations Act*. The amalgamated corporation continued under the name Galileo Global Equity Advisors Inc. (GGEA) and since July 31, 2012, has been the investment fund manager, trustee and portfolio advisor of the Funds. Disclosure pertaining to the amalgamation was provided in the Funds' Simplified Prospectus and Annual Information Form dated August 24, 2012.

5. The Funds are reporting issuers in the Jurisdictions and are not in default of any of the securities law requirements of those Jurisdictions. The securities of the Funds are qualified for distribution in the Jurisdictions by a simplified prospectus and annual information form.

6. The Funds are marketed and distributed through registered dealers.

The Proposed Acquisition

7. U.S. Global Investors Inc. (**U.S. Global**) is an investment management firm which is registered in the United States as an investment adviser under the Investment Advisers Act of 1940, as amended. Headquartered in San Antonio, Texas, U.S. Global and its subsidiaries are principally engaged in the business of providing investment advisory, transfer agency and other services to U.S. Global Investors Funds (a family of thirteen SEC registered mutual funds offered for sale in the United States only) as well as other clients. U.S. Global has approximately 70 employees.

8. On January 18, 2013, the Manager, U.S. Global and Michael Waring, the President, Chief Executive Officer, Chief Investment Officer and Chief Compliance Officer of the Manager, entered into a share purchase agreement (the **Purchase Agreement**) pursuant to which U.S. Global will acquire 500,000 newly issued common shares in the capital of the Manager from treasury (the **Transaction**). Michael Waring currently holds 500,000 common shares in the capital of the Manager, representing 100% of the issued and outstanding shares in the capital of the Manager. Following the completion of the Transaction, the issued and outstanding shares of the Manager will be owned as follows:

Name of Shareholder	Number of Common Shares	% of Total
Michael Waring	500,000	50%
U.S. Global Investors, Inc.	500,000	50%
TOTAL:	1,000,000	100%

9. The completion of the Transaction is subject to the satisfaction of closing conditions, including regulatory approvals, and is expected to close on or before March 31, 2013 (the Closing Date) following receipt of the regulatory approvals and the expiration of the notice period provided for in section 5.8(1)(a) of NI 81-102.

Proposed Change of Control

10. The Transaction will result in a change of control of the Manager.

11. The current directors of the Manager are Michael Waring and Evelyn Foo. Upon the closing of the Transaction, it is intended that Frank Holmes, who is the Chief Executive Officer and Chief Investment Officer of U.S. Global, and Susan McGee, who is the President and General Counsel of U.S. Global, will also join the board of directors.

12. The current officers of the Manager are Michael Waring (President, Chief Executive Officer, Chief Investment Officer and Chief Compliance Officer) and Evelyn Foo (Chief Financial Officer and Secretary). It is anticipated that the officers of the Manager will remain the same following the closing of the Transaction.

13. Following the closing of the Transaction, the board of directors of the Manager will continue to manage the business and affairs of the Manager. In view of the change of control of the Manager, however, certain material transactions relating to the Manager (for example, amending the Manager's articles or by-laws, issuance of additional shares, changing the principal business of the Manager, significant corporate acquisitions, divestitures or mergers, etc.) will require the unanimous approval of U.S. Global and Michael Waring in their capacity as equal shareholders of the Manager. The basis for such approval will be set out in a written agreement between the Manager, U.S. Global and Michael Waring and the relevant decisions will be documented by way of resolutions of the directors and/or shareholders, as applicable.

14. The Transaction will benefit the Manager by providing additional research capabilities, additional marketing resources, and additional capital which is expected to facilitate investment in new products and infrastructure and to increase the financial stability of the Manager.

15. A press release describing the Transaction was issued by the Manager on January 18, 2013 and filed under SEDAR Project No. 02007393. A material change report describing the Transaction was also issued by the Manager on January 18, 2013 and filed on SEDAR. An amendment to the Funds' Simplified Prospectus and Annual Information Form dated August 24, 2012 describing the Transaction was filed on SEDAR on January 18, 2013 and receipted on February 13, 2013.

16. Securityholder notice describing the Transaction and the resulting change of control was posted on SEDAR under SEDAR Project No. 02010199 and was sent to securityholders of the Funds on January 28, 2013, pursuant to section 5.8(1)(a) of NI 81-102.

17. A notice regarding the change of control of the Manager was submitted to the registration branch of the Ontario Securities Commission on February 1, 2013 pursuant to section 11.10 of National Instrument 31-103 *Registration Requirements and Exemptions*.

18. In respect of the impact of the proposed change of control of the Manager on the management and administration of the Funds:

    (a) The Filers have confirmed that there are no current plans:

        (i) to make any substantive changes to how the Manager operates or manages the Funds;

        (ii) to amalgamate or merge the Manager with another investment fund manager,

        (iii) immediately following the Closing Date, to change the manager of the Funds to U.S. Global or an affiliate of U.S. Global; and

        (iv) within a foreseeable period of time, to change the Manager to U.S. Global or an affiliate of U.S. Global.

    (b) The change of control of the Manager will have no negative consequences on the ability of the Manager to comply with all applicable regulatory requirements or its ability to satisfy its obligations to the Funds.

    (c) There is no current intention to change the name of the Manager or the names of the Funds as a result of the Transaction, immediately after the Closing Date.

(d) The Filers currently intend to maintain the Funds as a separately managed fund family with the Manager as the Funds' investment fund manager and portfolio manager, after the Closing Date.

(e) Following the Closing Date of the Transaction, while Michael Waring will no longer own a controlling interest in the Manager, and the shares of the Manager will be owned by Michael Waring and U.S. Global as to 50% each of the outstanding shares, the Transaction will not result in any material change in how the Manager operates or acts in relation to the Funds. The Transaction will not have a negative impact on the Funds or their securityholders.

(f) There are no current plans to change the Funds' portfolio manager or the individual portfolio managers of the Manager who are responsible for managing the investment portfolios of the Funds, within a foreseeable period of time following the closing of the Transaction.

(g) Following the Transaction, Michael Waring will continue in the role of Chief Investment Officer of the Manager and will continue to have overall responsibility for the investment management activities of the Manager. In addition, the individuals chiefly responsible for the management and administration of the Funds, namely Michael Waring (President, Chief Executive Officer, Chief Investment Officer and Chief Compliance Officer) and Evelyn Foo (Chief Financial Officer and Secretary), will continue in their current capacities. All directors and officers of the Manager following closing of the Transaction will continue to have the requisite integrity and experience to fulfil their roles.

(h) Although the current members of the Funds' independent review committee (**IRC**) will automatically cease to be members of the IRC by operation of section 3.10(1)(c) of National Instrument 81-107 *Independent Review Committee for Investment Funds* upon the closing of the Transaction, the Manager intends to reappoint them immediately after the Closing Date.

(i) It is not expected that there will be any change to the investment objectives and strategies of the Funds or the expenses that are charged to the Funds as a result of the Transaction.

(j) The proposed Transaction is not expected to adversely impact the financial stability of the Manager or its ability to fulfill its regulatory obligations.

Decision

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

The decision of the principal regulator under the Legislation is that the Approval Sought is granted.

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

2.1.6 Andina Minerals Inc. – s. 1(10)(a)(ii)

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)(a)(ii).

March 15, 2013

Andina Minerals Inc.
56 Temperance Steet
Suite 300
Toronto, Ontario
M5H 3V5

Dear Sirs/Mesdames:

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

In this decision, "securityholder" means, for a security, the beneficial owner of the security.

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 securityholders in each of the jurisdictions of Canada and fewer than 51 securityholders in total worldwide;

(b) no securities of the Applicant, including debt securities, are traded in Canada or another country on a marketplace as defined in National Instrument 21-101 *Marketplace Operation* or any other facility for bringing together buyers and sellers of securities where trading data is publicly reported;

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

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

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

"Lisa Enright"
Manager, Corporate Finance
Ontario Securities Commission

2.1.7 Compagnie de Saint-Gobain

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Application for relief from prospectus and dealer registration requirements in respect of certain trades in units made in connection with an employee share offering by a French issuer – Relief from prospectus and dealer registration requirements upon the redemption of units for shares of the issuer – The offering involves the use of collective employee shareholding vehicles, each a fonds communs de placement d'entreprise (FCPE) – The Filer cannot rely on the employee prospectus exemption in section 2.24 of National Instrument 45-106 Prospectus and Registration Exemptions and the Manager cannot rely on the plan administrator exemption in section 8.16 of National Instrument 31-103 Registration Requirements and Exemptions as the shares are not being offered to Canadian employees directly by the issuer but through the FCPEs – Canadian employees will receive disclosure documents – The FCPEs are subject to the supervision of the French Autorité des marchés financiers – Relief granted, subject to conditions.

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 25, 53, 74(1).
National Instrument 31-103 Registration Requirements and Exemptions.
National Instrument 45-102 Resale of Securities.
National Instrument 45-106 Prospectus and Registration Exemptions.

March 15, 2013

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
COMPAGNIE DE SAINT-GOBAIN
(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 (the "**Legislation**") for

1. an exemption from the prospectus requirements of the Legislation (the "**Prospectus Relief**") so that such requirements do not apply to

   (a) trades in:

      (i) units (the "**Principal Classic Units**") of Saint-Gobain Avenir Monde (the "**Principal Classic Compartment**"), a compartment of an FCPE named Saint-Gobain PEG Monde, which is a *fonds commun de placement d'entreprise* or "FCPE," a form of collective shareholding vehicle commonly used in France for the conservation of shares held by employee-investors; and

      (ii) units (together with the Principal Classic Units, the "**Units**") of a temporary FCPE named Saint-Gobain Relais 2013 Monde (the "**Temporary Classic FCPE**"), which will merge with the Principal Classic Compartment following the Employee Share Offering (as defined below), such transaction being referred to as the "**Merger**", as further described below (the term "**Classic Compartment**" used herein means, prior to the Merger, the Temporary Classic FCPE, and following the Merger, the Principal Classic Compartment);

made pursuant to the Employee Share Offering (as defined below) to or with Qualifying Employees (as defined below) resident in the Jurisdiction or in the Provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Québec, New Brunswick and Nova Scotia (collectively, the "**Canadian Employees**," and Canadian Employees who subscribe for Units, the "**Canadian Participants**"); and

(b) trades of ordinary shares of the Filer (the "**Shares**") by the Classic Compartment to or with Canadian Participants upon the redemption of Units as requested by Canadian Participants;

2. an exemption from the dealer registration requirements of the Legislation (the "**Registration Relief**") so that such requirements do not apply to the Saint-Gobain Group (as defined below and which, for clarity, includes the Filer and the Local Affiliates (as defined below)), the Temporary Classic FCPE, the Principal Classic Compartment and Amundi (the "**Management Company**") in respect of:

(a) trades in Units made pursuant to the Employee Share Offering to or with Canadian Employees; and

(b) trades in Shares by the Classic Compartment to or with Canadian Participants upon the redemption of Units as requested by Canadian Participants.

(the Prospectus Relief and the Registration Relief, collectively, the "**Offering Relief**")

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

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

(b) the 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, Québec, New Brunswick and Nova Scotia (together with the Jurisdiction, the "**Jurisdictions**").

Interpretation

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

Representations

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

1. The Filer is a corporation formed under the laws of France. It is not, and has no current intention of becoming, a reporting issuer under the Legislation or the securities legislation of the other Jurisdictions. The head office of the Filer is located in France and the Shares are listed on Euronext Paris. The Filer is not in default under the Legislation or the securities legislation of the other Jurisdictions.

2. The Filer carries on business in Canada through certain affiliated companies including CertainTeed Gypsum Canada Inc., Decoustics Limited, Ottawa Fibre L.P., Redcliff Fibre L.P., Saint-Gobain Abrasives, Inc., SG Abrasives Canada, SG Ceramics Materials Canada, St-Gobain Adfors America, Inc., St-Gobain ADFORS Canada, LTD., Tillsonburg L.P. and VIB L.P. (collectively, the "**Local Affiliates**," and together with the Filer and other affiliates of the Filer, the "**Saint-Gobain Group**"). Each of the Local Affiliates is a direct or indirect controlled subsidiary of the Filer and is not, and has no current intention of becoming, a reporting issuer under the Legislation or the securities legislation of the other Jurisdictions. The principal office of the Saint-Gobain Group in Canada is located in Ontario and the greatest number of employees of Local Affiliates are employed in Ontario. None of the Local Affiliates is in default under the Legislation or the securities legislation of the other Jurisdictions.

3. The Filer has established a global employee share offering for employees of the Saint-Gobain Group (the "**Employee Share Offering**"). As of the date hereof and after giving effect to the Employee Share Offering, Canadian residents do not and will not beneficially own (which term, for the purposes of this paragraph, is deemed to include all Shares held by the Classic Compartment on behalf of Canadian Participants) more than 10% of the Shares and do not and will not represent in number more than 10% of the total number of holders of the Shares as shown on the books of the Filer.

4. The Employee Share Offering is comprised of one subscription option, being an offering of Shares to be subscribed through the Temporary Classic FCPE, which Temporary Classic FCPE will be merged with the Principal Classic Compartment after completion of the Employee Share Offering, subject to the approval of the FCPE's supervisory board and the French AMF (defined below) (the "**Classic Plan**").

5. Only persons who are employees of a member of the Saint-Gobain Group during the subscription period for the Employee Share Offering and who meet other employment criteria (the "**Qualifying Employees**") will be allowed to participate in the Employee Share Offering.

6. The Principal Classic Compartment was established for the purpose of implementing employee share offerings of the Filer, and the Temporary Classic FCPE was established for the purpose of implementing the Employee Share Offering. There is no current intention for either the Principal Classic Compartment or the Temporary Classic FCPE to become a reporting issuer under the Legislation or the securities legislation of the other Jurisdictions.

7. The Temporary Classic FCPE is, and the Principal Classic Compartment is a compartment of, an FCPE which is a form of collective shareholding vehicle commonly used in France for the conservation and custodianship of shares held by employee-investors. The Principal Classic Compartment and the Temporary Classic FCPE have been registered with the French Autorité des marchés financiers (the "**French AMF**"). Only Qualifying Employees will be allowed to hold Units issued pursuant to the Employee Share Offering.

8. All Units acquired in the Employee Share Offering by Canadian Participants will be subject to a hold period of approximately five years (the "**Lock-Up Period**"), subject to certain exceptions prescribed by French law and provided for under the Classic Plan (such as a release on death or termination of employment).

9. Under the Classic Plan, the subscription price will be the Canadian dollar equivalent of the average of the opening price of the Shares (expressed in Euros) on Euronext Paris on the 20 trading days preceding the date of the fixing of the subscription price by the Chief Executive Officer of the Filer, less a 20% discount.

10. Canadian Participants who wish to subscribe will make a contribution to the Classic Plan (such contribution, the "**Employee Contribution**"). For each Canadian Participant who contributes, the Local Affiliate employing such Canadian Participant will make a contribution to the Classic Plan, for the benefit of, and at no cost to, the Canadian Participant, of an amount equal to 15% of such Employee Contribution up to a maximum amount of $1,500 per Canadian Participant (the "**Employer Contribution**").

11. Under the Classic Plan, the Temporary Classic FCPE will apply the cash received from the Employee Contributions and the Employer Contributions to subscribe for Shares from the Filer.

12. Initially, the Shares subscribed for will be held in the Temporary Classic FCPE and the Canadian Participant will receive Units in the Temporary Classic FCPE. Following the completion of the Employee Share Offering, the Temporary Classic FCPE will be merged with the Principal Classic Compartment (subject to the approval of the supervisory board of the FCPEs and the French AMF). Units of the Temporary Classic FCPE held by Canadian Participants will be replaced with Units of the Principal Classic Compartment on a *pro rata* basis and the Shares subscribed for under the Employee Share Offering will be held in the Principal Classic Compartment (such transaction being referred to as the "**Merger**").

13. At the end of the Lock-Up Period a Canadian Participant may

    (a) request the redemption of Units in the Classic Compartment in consideration for the underlying Shares or a cash payment equal to the then market value of the Shares, or

    (b) continue to hold Units in the Classic Compartment and request the redemption of those Units at a later date in consideration for the underlying Shares or a cash payment equal to the then market value of the Shares.

14. In the event of an early unwind resulting from the Canadian Participant exercising one of the exceptions to the Lock-Up Period prescribed by French law and meeting the applicable criteria, a Canadian Participant may request the redemption of Units in the Classic Compartment in consideration for a cash payment equal to the then market value of the Shares held by the Classic Compartment.

15. Dividends paid on the Shares held in the Classic Compartment will be contributed to the Classic Compartment and used to purchase additional Shares. To reflect this reinvestment, new Units (or fractions thereof) will be issued. The declaration of dividends on the Shares is determined by the board of directors of the Filer.

16. An FCPE is a limited liability entity under French law. The Classic Compartment's portfolio will consist almost entirely of Shares and may, from time to time, also include cash in respect of dividends paid on the Shares which will be reinvested in Shares. From time to time the portfolio will also include cash or cash equivalents pending investments in Shares and for the purposes of Unit redemptions.

17. The Management Company is a portfolio management company governed by the laws of France. The Management Company is registered with the French AMF as an investment manager and complies with the rules of the French AMF. To the best of the Filer's knowledge, the Management Company is not, and has no current intention of becoming, a reporting issuer under the Legislation or the securities legislation of the other Jurisdictions.

18. The Management Company's portfolio management activities in connection with the Employee Share Offering and the Classic Compartment are limited to purchasing Shares from the Filer, selling such Shares as necessary in order to fund redemption requests and investing available cash in cash equivalents.

19. The Management Company is also responsible for preparing accounting documents and publishing periodic informational documents as provided by the rules of the Classic Compartment. The Management Company's activities do not affect the underlying value of the Shares, and the Management Company will not be involved in providing advice to any Canadian Employees with respect to an investment in the Units. To the best of the Filer's knowledge, the Management Company is not in default of the Legislation or the securities legislation of the other Jurisdictions.

20. Shares issued in the Employee Share Offering will be deposited in the Principal Classic Compartment and/or the Temporary Classic FCPE, as applicable, through CACEIS Bank (the "**Depositary**"), a large French commercial bank subject to French banking legislation.

21. Under French law, the Depositary must be selected by the Management Company from among a limited number of companies identified on a list maintained by the French Minister of the Economy, Finance and Industry, and its appointment must be approved by the French AMF. The Depositary carries out orders to purchase, trade and sell securities in the portfolio and takes all necessary action to allow each of the Principal Classic Compartment and the Temporary Classic FCPE to exercise the rights relating to the securities held in its respective portfolio.

22. The value of Units will be calculated and reported to the French AMF on a regular basis, based on the net assets of the Classic Compartment divided by the number of Units outstanding. The value of Units will be based on the value of the Shares.

23. All management charges relating to the Classic Compartment will be paid from the assets of the Classic Compartment or by the Filer, as provided in the regulations of the Classic Compartment.

24. Participation in the Employee Share Offering is voluntary, and the Canadian Employees will not be induced to participate in the Employee Share Offering by expectation of employment or continued employment.

25. The total amount invested by a Canadian Employee in the Employee Share Offering cannot exceed 25% of his or her gross annual compensation. The Employer Contribution will not be factored into the maximum amount that a Canadian Employee may contribute.

26. None of the Filer, the Management Company, the Local Affiliates or any of their employees, agents or representatives will provide investment advice to the Canadian Employees with respect to an investment in the Shares or the Units.

27. The Shares are not currently listed for trading on any stock exchange in Canada and the Filer has no intention to have the Shares so listed. As there is no market for the Shares in Canada, and none is expected to develop, any first trades of Shares by Canadian Participants will be effected through the facilities of, and in accordance with the rules and regulations of, a foreign stock exchange outside of Canada.

28. Canadian Employees will receive, or will be notified of their ability to request, an information package in the French or English language, according to their preference, which will include a summary of the terms of the Employee Share Offering and a tax notice containing a description of Canadian income tax consequences of subscribing to and holding the Units and requesting the redemption of Units at the end of the Lock-Up Period.

29. Canadian Employees will have access to or may request a copy of the Filer's French *Document de Référence* filed with the French AMF in respect of the Shares and a copy of the rules of the Temporary Classic FCPE and the Principal Classic Compartment. The Canadian Employees will also have access to the continuous disclosure materials relating to the Filer that are furnished to holders of the Shares.

30. Canadian Participants will receive an initial statement indicating the number and value of the Units they hold under the Classic Plan, together with an updated statement at least once per year.

31. There are approximately 1,214 Canadian Employees resident in Canada, with the greatest number resident in Ontario (729), and the remainder in the provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Québec, New

Brunswick and Nova Scotia who represent, in the aggregate, approximately 2% of the number of employees in the Saint-Gobain Group worldwide.

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 Offering Relief is granted provided that the prospectus requirements of the Legislation will apply to the first trade in any Units or Shares acquired by Canadian Participants pursuant to this decision unless the following conditions are met:

(a) the issuer of the security

(i) was not a reporting issuer in any jurisdiction of Canada at the distribution date, or

(ii) is not a reporting issuer in any jurisdiction of Canada at the date of the trade;

(b) at the distribution date, after giving effect to the issue of the security and any other securities of the same class or series that were issued at the same time as or as part of the same distribution as the security, residents of Canada

(i) did not own, directly or indirectly, more than 10% of the outstanding securities of the class or series, and

(ii) did not represent in number more than 10% of the total number of owners, directly or indirectly, of securities of the class or series; and

(c) the first trade is made

(i) through an exchange, or a market, outside of Canada, or

(ii) to a person or company outside of Canada.

“Edward P. Kerwin”
Commissioner
Ontario Securities Commission

“P. L. Kennedy”
Commissioner
Ontario Securities Commission

2.2 Orders

2.2.1 Axcess Automation LLC et al. – ss. 127, 127.1

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

AND

IN THE MATTER OF
THE COMMODITY FUTURES ACT,
R.S.O. 1990, c. C.20, AS AMENDED

AND

IN THE MATTER OF
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

ORDER
(Sections 127 and 127.1 of the Act)

WHEREAS on August 12, 2010, the Ontario Securities Commission (the "**Commission**") issued a Notice of Hearing pursuant to, among other provisions, sections 127 and 127.1 of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "**Act**") in relation to a Statement of Allegations of the same date filed by Staff of the Commission ("**Staff**") in respect of Axcess Automation LLC ("**Axcess Automation**"), Axcess Fund Management, LLC ("**Axcess Fund Management**"), Axcess Fund, L.P. ("**Axcess Fund**"), Gordon Alan Driver ("**Driver**"), David Rutledge ("**Rutledge**"), 6845941 Canada Inc. ("**6845941**") carrying on business as Anesis Investments ("**Anesis**"), Steven M. Taylor ("**Taylor**"), Berkshire Management Services Inc. ("**Berkshire**") carrying on business as International Communications Strategies ("**ICS**"), 1303066 Ontario Ltd. ("**1303066**") carrying on business as ACG Graphic Communications ("**AGC**"), Montecassino Management Corporation ("**Montecassino**"), Reynold Mainse ("Reynold"), World Class Communications Inc. ("**WCC**") and Ronald Mainse ("**Ronald**");

AND WHEREAS on August 13, 2010, the Commission approved the settlement agreements between Staff and Ronald and between Staff, Rutledge and 68459541;

AND WHEREAS a hearing on the merits in this matter was held before the Commission on April 11, 13, 14, 15, 19 and 20, 2011 and May 25, 2011 with respect to the remaining respondents (collectively, the "**Respondents**");

AND WHEREAS on September 27, 2012, the Commission issued its Reasons and Decision on the merits in this matter (the "**Merits Decision**");

AND WHEREAS the Commission is satisfied that the Respondents have not complied with Ontario securities law and have acted contrary to the public interest, as described in the Merits Decision;

AND WHEREAS on November 7, 2012, the Commission held a hearing with respect to the sanctions and costs to be imposed in this matter;

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

IT IS ORDERED THAT:

(a) Pursuant to clause 2 of subsection 127(1) of the Act, trading in any securities by Driver, Axcess Automation, Axcess Fund Management, Axcess Fund, Taylor, Berkshire, 1303066 and Montecassino shall cease permanently;

(b) Pursuant to clause 2 of subsection 127(1) of the Act, trading in any securities by Reynold and WCC shall cease for a period of 15 years, provided that Reynold is permitted to trade securities for the account of his RRSP, as defined in the *Income Tax Act*, R.S.C. 1985, c. 1, as amended, once the administrative penalty and disgorgement order set out in paragraphs (r) and (u) below are paid in full;

(c) Pursuant to clause 2.1 of subsection 127(1) of the Act, the acquisition of any securities by Driver, Axcess Automation, Axcess Fund Management, Axcess Fund, Taylor, Berkshire, 1303066 and Montecassino is prohibited permanently;

(d) Pursuant to clause 2.1 of subsection 127(1) of the Act, the acquisition of any securities by Reynold and WCC is prohibited for a period of 15 years, provided that Reynold is permitted to acquire securities for the account for his RRSP once the administrative penalty and disgorgement order set out in paragraphs (r) and (u) below are paid in full;

(e) Pursuant to clause 3 of subsection 127(1) of the Act, any exemptions contained in Ontario securities law do not apply to Driver, Axcess Automation, Axcess Fund Management, Axcess Fund, Taylor, Berkshire, 1303066 and Montecassino permanently;

(f) Pursuant to clause 3 of subsection 127(1) of the Act, any exemptions contained in Ontario securities law do not apply to Reynold and WCC for a period of 15 years, except to the extent such exemption is necessary for trades undertaken in connection with the account of Reynold's RRSP once the administrative penalty and disgorgement order set out in paragraphs (r) and (u) below are paid in full;

(g) Pursuant to clause 7 of subsection 127(1) of the Act, Driver, Taylor and Reynold resign any positions that they hold as a director or officer of an issuer;

(h) Pursuant to clause 8 of subsection 127(1) of the Act, Driver and Taylor are prohibited permanently from becoming or acting as a director or officer of any issuer;

(i) Pursuant to clause 8 of subsection 127(1) of the Act, Reynold is prohibited from becoming or acting as a director or officer of any issuer for a period of 15 years;

(j) Pursuant to clause 8.2 of subsection 127(1) of the Act, Driver and Taylor are prohibited permanently from becoming or acting as a director or officer of a registrant;

(k) Pursuant to clause 8.2 of subsection 127(1) of the Act, Reynold is prohibited from becoming or acting as a director or officer of a registrant for a period of 15 years;

(l) Pursuant to clause 8.4 of subsection 127(1) of the Act, Driver and Taylor are prohibited permanently from becoming or acting as a director or officer of an investment fund manager;

(m) Pursuant to clause 8.4 of subsection 127(1) of the Act, Reynold is prohibited from becoming or acting as a director or officer of an investment fund manager for a period of 15 years;

(n) Pursuant to clause 8.5 of subsection 127(1) of the Act, Driver and Taylor are prohibited permanently from becoming or acting as a registrant, as an investment fund manager or as a promoter;

(o) Pursuant to clause 8.5 of subsection 127(1) of the Act, Reynold is prohibited from becoming or acting as a registrant, as an investment fund manager or as a promoter for a period of 15 years;

(p) Pursuant to clause 9 of subsection 127(1) of the Act, Driver, Axcess Automation, Axcess Fund Management and Axcess Fund shall jointly and severally pay an administrative penalty in the amount of $750,000, which is designated for allocation or use by the Commission pursuant to subsections 3.4(2)(b)(i) or (ii) of the Act;

(q) Pursuant to clause 9 of subsection 127(1) of the Act, Taylor, Berkshire, 1303066 and Montecassino shall jointly and severally pay an administrative penalty in the amount of $500,000, which is designated for allocation or use by the Commission pursuant to subsections 3.4(2)(b)(i) or (ii) of the Act;

(r) Pursuant to clause 9 of subsection 127(1) of the Act, Reynold and WCC shall jointly and severally pay an administrative penalty in the amount of $35,000, which is designated for allocation or use by the Commission pursuant to subsections 3.4(2)(b)(i) or (ii) of the Act;

(s) Pursuant to clause 10 of subsection 127(1) of the Act, Driver, Axcess Automation, Axcess Fund Management, Axcess Fund shall jointly and severally disgorge to the Commission the amount of $3,116,013.18, which is designated for allocation or use by the Commission pursuant to subsections 3.4(2)(b)(i) or (ii) of the Act;

(t) Pursuant to clause 10 of subsection 127(1) of the Act, Taylor, Berkshire, 1303066, Montecassino, Driver, Axcess Automation, Axcess Fund Management and Axcess Fund shall jointly and severally disgorge to the Commission the amount of $1,576,098.03, which is designated for allocation or use by the Commission pursuant to subsections 3.4(2)(b)(i) or (ii) of the Act;

(u) Pursuant to clause 10 of subsection 127(1) of the Act, Reynold, WCC, Driver, Axcess Automation, Axcess Fund Management and Axcess Fund shall jointly and severally disgorge to the Commission the amount of $210,219.50, which is designated for allocation or use by the Commission pursuant to subsections 3.4(2)(b)(i) or (ii) of the Act;

(v) Pursuant to section 127.1 of the Act, Driver, Axcess Automation, Axcess Fund Management, Axcess Fund, Taylor, Berkshire, 1303066 and Montecassino shall jointly and severally pay costs in the amount of $199,686.87;

(w) Pursuant to section 127.1 of the Act, Reynold, WCC, Driver, Axcess Automation, Axcess Fund Management, Axcess Fund, Taylor, Berkshire, 1303066 and Montecassino shall jointly and severally pay costs in the amount of $2,500.

DATED at Toronto at this 12th day of March, 2013.

“Christopher Portner”

“Paulette L. Kennedy”

2.2.2 2196768 Ontario Ltd et al. – Rule 9 of the OSC Rules of Procedure

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

AND

IN THE MATTER OF
2196768 ONTARIO LTD carrying on business as RARE INVESTMENTS, RAMADHAR DOOKHIE, ADIL SUNDERJI and EVGUENI TODOROV

ORDER
(Rule 9 of the Ontario Securities Commission Rules of Procedure (2012), 35 O.S.C.B. 10009)

WHEREAS on November 22, 2011, the Ontario Securities Commission ("Commission") issued a Notice of Hearing, pursuant to s.127 and 127.1 of the *Securities Act*, R.S.O. 1990, c. S.5, (the "Act") in relation to a Statement of Allegations filed by Staff of the Commission ("Staff") with respect to 2196768 Ontario Ltd. carrying on business as RARE Investments ("RARE"), Ramadhar Dookhie ("Dookhie"), Adil Sunderji ("Sunderji") and Evgueni Todorov ("Todorov") (together, the "Respondents"), for a hearing to commence on December 5, 2011;

AND WHEREAS the Respondents were served with the Notice of Hearing and Statement of Allegations dated November 22, 2011 on November 23, 2011;

AND WHEREAS at a hearing on December 5, 2011, counsel for Staff advised that disclosure will be made to the Respondents by Staff on or by January 16, 2012, and the parties consented to the scheduling of a confidential pre-hearing conference on March 5, 2012;

AND WHEREAS the confidential pre-hearing conference was adjourned from March 5, 2012 to May 2, 2012, with the consent of Staff, to permit two of the Respondents to retain legal counsel;

AND WHEREAS the parties attended on May 2, 2012 and counsel for Staff advised that disclosure was complete and two of the Respondents advised they had not yet retained legal counsel;

AND WHEREAS the parties attended on July 19, 2012, and two of the Respondents advised they had still not retained legal counsel;

AND WHEREAS the parties attended on September 14, 2012, and the Commission ordered that the hearing on the merits shall commence on Monday, March 18, 2013 and continue on March 19, 20, 21, 22, 25, 27, and 28, 2013;

AND WHEREAS on March 13, 2013, Todorov requested an adjournment of at least six weeks to retain legal counsel, and counsel for Staff made submissions with respect to the adjournment request;

AND WHEREAS the Commission considers it to be in the public interest to grant the requested adjournment, on a peremptory basis as against Todorov, to allow Todorov to retain legal counsel;

IT IS ORDERED THAT:

1. the hearing on the merits is adjourned on a peremptory basis as against Todorov;

2. the hearing dates of March 18, 19, 20, 21, 22, 25, 27 and 8, 2013 are vacated; and

3. the hearing on the merits shall begin on Wednesday, May 22, 2013 at 10:00 a.m. and shall continue on May 23, 24, 27, 28, 29, 30 and 31, 2013.

DATED at Toronto this 13th day of March, 2013.

"Edward P. Kerwin"

2.2.3 KEYreit and Huntingdon Capital Corp. – s. 127(1)

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

AND

IN THE MATTER OF
KEYREIT and
HUNTINGDON CAPITAL CORP.

ORDER
(Subsection 127(1))

WHEREAS Huntingdon Capital Corp. ("Huntingdon") filed an application dated March 4, 2013 (the "Application") with the Ontario Securities Commission (the "Commission") requesting pursuant to section 127 of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "Act") that the Commission cease trade the unitholder rights plan (the "Rights Plan") adopted by KEYreit's Board of Directors ("Board") on February 8, 2013;

AND WHEREAS Huntingdon seeks the following relief:

a) a permanent order that trading cease in respect of any securities issued, or to be issued, under or in connection with the Rights Plan, including, without limitation in respect of the rights issued under the Rights Plan (the "Rights") and any units of KEYreit ("Units") issuable upon the exercise of the Rights;

b) a permanent order removing any prospectus exemptions in respect of the distribution of the Rights on the occurrence of the Separation Time (as defined in the Rights Plan) and in respect of the exercise of the Rights; and

c) such further and other relief as counsel for Huntingdon may advise;

AND WHEREAS on March 4, 2013, a Notice of Hearing was issued with respect to the Application setting down the hearing for March 14, 2013;

AND WHEREAS on January 31, 2013, Huntingdon made an Offer to Purchase up to 6,628,940 of the outstanding Units of KEYreit at a price of $7.00 per Unit expiring March 7, 2013 (the "Partial Offer");

AND WHEREAS on February 8, 2013, in response to the Partial Offer, KEYreit's Board adopted the Rights Plan;

AND WHEREAS on March 7, 2013, Huntingdon filed a Notice of Variation and Extension with respect to the Partial Offer to acquire 100% of the issued and outstanding Units of KEYreit, excluding Units held by Huntingdon;

AND WHEREAS Huntingdon's Notice of Variation and Extension notified KEYreit unitholders, among other things, that Huntingdon has:

a) amended the number of Units offered to be purchased from 6,628,940 Units to up to all of the issued and outstanding Units of KEYreit;

b) amended the purchase price so that KEYreit unitholders can elect to receive for each Unit: (i) $7.00 in cash; or (ii) $5.25 in cash and 0.14033681 of a Huntingdon common share; and

c) extended the expiry time of the offer from 5:00 p.m. (Toronto time) on March 7, 2013 to 5:00 p.m. (Toronto time) on March 18, 2013;

AND WHEREAS on March 14, 2013, a hearing was held before the Commission to consider the Application;

AND WHEREAS the Commission considered the following evidence at the hearing:

a) affidavit of Mr. Schott sworn March 8, 2013, affidavit of Mr. Hughes sworn March 8, 2013, affidavit of Mr. George sworn March 4, 2013, supplementary affidavit of Mr. Schott sworn March 13, 2013, unsworn supplementary affidavit of Mr. George, and affidavit of Mr. Poladian sworn March 11, 2013; and

b) the testimony of Mr. Schott and Mr. Hughes, who were cross-examined on their affidavits referred to above;

AND WHEREAS the Commission heard oral submissions from counsel for Huntingdon, KEYreit and Staff of the Commission and reviewed and considered all the materials submitted by the parties;

AND WHEREAS the Commission considered the factors set out in Re Royal Host (1999), 22 O.S.C.B. 7819, and the other case law referred to by the parties;

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

IT IS HEREBY ORDERED that trading permanently cease in respect of any securities to be issued under or in connection with the Rights Plan, including, without limitation any Units of KEYreit issuable upon the exercise of the Rights, upon the earlier of:

1. April 1, 2013, or

2. two business days after the public announcement of any competing offer or transaction for KEYreit, or upon the abandonment by KEYreit of the current process seeking to maximize value for KEYreit unitholders.

Dated at Toronto this 14th day of March, 2013.

"James E. A. Turner"

"Mary G. Condon"

"Deborah Leckman"

2.2.4 2196768 Ontario Ltd et al. – ss. 127, 127.1

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

AND

IN THE MATTER OF
2196768 ONTARIO LTD carrying on business as RARE INVESTMENTS, RAMADHAR DOOKHIE, ADIL SUNDERJI and EVGUENI TODOROV

IN THE MATTER OF
A SETTLEMENT AGREEMENT BETWEEN STAFF OF THE ONTARIO SECURITIES COMMISSION AND ADIL SUNDERJI

ORDER
(Sections 127 and 127.1 of the Act)

WHEREAS on November 22, 2011, the Ontario Securities Commission (the "Commission") issued a Notice of Hearing pursuant to sections 127 and 127.1 of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "Act"), in relation to a Statement of Allegations filed by Staff of the Commission ("Staff") on November 22, 2011 with respect to 2196768 Ontario Ltd. ("2196768 Ltd.") carrying on business as RARE Investments ("RARE"), Ramadhar Dookhie ("Dookhie"), Adil Sunderji ("Sunderji") and Evgueni Todorov ("Todorov");

AND WHEREAS Sunderji entered into a settlement agreement with Staff dated March 13, 2013 (the "Settlement Agreement") in relation to the matters set out in the Statement of Allegations;

AND WHEREAS on March 13, 2013, the Commission issued a Notice of Hearing setting out that it proposed to hold a hearing to consider whether it is in the public interest to approve the Settlement Agreement;

AND UPON reviewing the Settlement Agreement, the Notice of Hearing, and the Statement of Allegations, and upon hearing submissions from counsel for Sunderji and from Staff;

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

IT IS HEREBY ORDERED THAT:

a) pursuant to Rule 5.2 of the Commission's *Rules of Procedure*, (2012), 35 O.S.C.B. 10079, the affidavit of Sunderji, sworn March 5, 2013 and filed at the Settlement Hearing, will be kept confidential and will not form part of the public hearing record;

b) the Settlement Agreement is approved;

c) Sunderji will cooperate with Staff in its investigation including testifying as a

witness for Staff in any proceedings commenced or continued by Staff or the Commission relating to the matters set out herein and meeting with Staff in advance of such proceedings and to prepare for such testimony;

d) pursuant to paragraph 6 of subsection 127(1) of the Act, Sunderji is reprimanded;

e) pursuant to clause 2 of subsection 127(1) of the Act, trading in any securities by Sunderji shall cease for a period of seven (7) years from the date of the approval of the Settlement Agreement;

f) pursuant to clause 2.1 of subsection 127(1) of the Act, acquisition of any securities by Sunderji is prohibited for a period of seven (7) years from the date of the approval of the Settlement Agreement;

g) pursuant to clause 3 of subsection 127(1) of the Act, any exemptions contained in Ontario securities law do not apply to Sunderji for a period of seven (7) years from the date of the approval of the Settlement Agreement;

h) pursuant to clauses 7, 8.1 and 8.3 of subsection 127(1) of the Act, Sunderji shall resign all positions that he holds as a director or officer of any issuer, registrant or investment fund manager;

i) pursuant to clauses 8, 8.2 and 8.4 of subsection 127(1) of the Act, Sunderji is prohibited for a period of seven (7) years from the date of the approval of the Settlement Agreement from becoming or acting as a director or officer of any issuer, registrant, or investment fund manager;

j) pursuant to clause 8.5 of subsection 127(1) of the Act, Sunderji is prohibited for a period of seven (7) years from the date of the approval of the Settlement Agreement from becoming or acting as a registrant, as an investment fund manager or as a promoter;

k) pursuant to clause 9 of subsection 127(1) of the Act, Sunderji shall pay an administrative penalty in the amount of $5,000, to be designated for allocation or use by the Commission pursuant to subsections 3.4(2)(b)(i) or (ii) of the Act;

l) pursuant to clause 10 of subsection 127(1), Sunderji shall disgorge to the Commission the amount of $6,000, obtained as a result of his non-compliance with Ontario securities law, to be designated for allocation or use by the Commission pursuant to subsections 3.4(2)(b)(i) or (ii) of the Act;

m) pursuant to section 127.1 of the Act, Sunderji shall pay to the Commission costs of $5,000, to be designated for allocation or use by the Commission pursuant to subsections 3.4(2)(b)(i) or (ii) of the Act;

n) after the payments set out in paragraphs (k), (l) and (m) above are made in full, as an exception to the provisions of paragraphs (e), (f) and (g) above, Sunderji will be permitted to trade in or acquire securities in his personal registered retirement savings plan ("RRSP") accounts and/or tax-free savings accounts ("TFSA") and/or for any registered education savings plan ("RESP") accounts for which he is the or a sponsor;

o) until the entire amount of the payments set out in paragraphs (k), (l) and (m) above are paid in full, the provisions of paragraphs (e), (f) and (g) above shall continue in force without any limitation as to time; and

p) Sunderji agrees to make a payment on account of the payment ordered in paragraph (l) above of $6,000 by certified cheque or bank draft within 30 days of the approval by the Commission of this Settlement Agreement.

DATED at Toronto this 15th day of March, 2013.

"Christopher Portner"

2.2.5 Bernard Boily – s. 127

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

AND

IN THE MATTER OF
BERNARD BOILY

ORDER
(Section 127)

WHEREAS the Ontario Securities Commission (the "Commission") issued a Notice of Hearing and Staff of the Commission ("Staff") filed a Statement of Allegations in this matter on March 29, 2011 against Bernard Boily (the "Respondent");

AND WHEREAS on April 28, 2011, the Commission ordered that the matter be adjourned to June 29, 2011;

AND WHEREAS on July 5, 2011, the Commission ordered that the matter be adjourned to a confidential pre-hearing conference to be held on September 13, 2011 and that the following dates be reserved for the hearing on the merits in this matter: April 2, 3, 4, 5, 9, 11, 12, 13, 16, 17, 18, 19, 20, 23, 25, 26 and 27, 2012;

AND WHEREAS on September 13, 2011, the Commission ordered that the matter be adjourned to a confidential pre-hearing conference to be held on November 10, 2011 and that the hearing on the merits in this matter shall commence on April 2, 2012 at 10:00 a.m. and continue on the following dates: April 3, 4, 5, 9, 11, 12, 13, 16, 17, 18, 19, 20, 23, 25, 26 and 27, 2012;

AND WHEREAS on November 10, 2011, the Commission ordered that the matter be adjourned to a confidential pre-hearing conference to be held on December 13, 2011 at 9:00 a.m.;

AND WHEREAS on December 13, 2011, the Commission ordered that the matter be adjourned to a confidential pre-hearing conference to be held on January 30, 2012 at 2:00 p.m.;

AND WHEREAS on January 30, 2012, counsel for Staff and the Respondent appeared before the Commission for a pre-hearing conference and the Commission advised counsel for Staff and the Respondent that it would be necessary to postpone the hearing on the merits of this matter until the fall of 2012;

AND WHEREAS on January 30, 2012, the Commission ordered that the hearing on the merits originally scheduled to begin on April 2, 2012 be adjourned to a date in the fall of 2012 to be set by the Secretary's Office in consultation with the parties;

AND WHEREAS on February 17, 2012, the Commission ordered that the hearing on the merits of this matter shall commence on November 21, 2012 at 10:00 a.m. and shall continue on November 22, 23, 26, 27, 28, 29 and 30 and December 3, 5, 6, 7, 10, 11, 12, 13 and 14, 2012, each day commencing at 10:00 a.m.;

AND WHEREAS on October 19, 2012, the Commission advised Staff and the Respondent that the Commission was unable to hold the hearing as originally scheduled on November 21, 22, 23, 26, 27, 28, 29 and 30 and December 3, 5, 6, 7, 10, 11, 12, 13 and 14, 2012;

AND WHEREAS on December 21, 2012, the Commission ordered that the dates set for the hearing on the merits of this matter which had been scheduled for November 21, 22, 23, 26, 27, 28, 29 and 30 and December 3, 5, 6, 7, 10, 11, 12, 13 and 14, 2012 be vacated and that the hearing on the merits shall commence on March 25, 2013 at 10:00 a.m. and shall continue thereafter on March 27 and 28, April 8, 10, 11, 12, 17 and 19, May 13, 14, 15, 16, 17 and 22, and June 24, 25, 26, 27 and 28, 2013;

AND WHEREAS on March 15, 2013, counsel for Staff and counsel for the Respondent appeared before the Commission for the purposes of a case management conference;

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

IT IS ORDERED that,

1. the dates of March 25, 27 and 28, 2013 scheduled for the hearing on the merits of this matter shall be vacated; and

2. the hearing on the merits shall commence on April 8, 2013 at 1:00 p.m. and shall continue thereafter on April 10, 11, 12, 17 and 19, May 13, 14, 15, 16, 17 and 22, and June 24, 25, 26, 27 and 28, 2013 commencing each day at 10 a.m.

DATED at Toronto this 18th day of March, 2013.

"Alan Lenczner"

2.2.6 Newer Technologies Limited et al. – ss. 127(1), 127.1

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

AND

**IN THE MATTER OF
NEWER TECHNOLOGIES LIMITED,
RYAN PICKERING AND RODGER FREY**

**ORDER
(Subsection 127(1) and section 127.1)**

WHEREAS on December 4, 2012, the Ontario Securities Commission (the "Commission") issued a Notice of Hearing pursuant to sections 127 and 127.1 of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "Act") in connection with a Statement of Allegations filed by Staff of the Commission ("Staff") on December 4, 2012 in respect of Newer Technologies Limited, Ryan Pickering and Rodger Frey (collectively, the "Respondents");

AND WHEREAS the Respondents were served with the Notice of Hearing and Statement of Allegations on December 5, 2012;

AND WHEREAS the Notice of Hearing provided that a hearing would be held at the temporary hearing rooms of the Commission on January 11, 2013;

AND WHEREAS at the first attendance on January 11, 2013, Staff and counsel for Newer Technologies Limited and Ryan Pickering attended before the Commission;

AND WHEREAS Rodger Frey did not appear, however Staff indicated that Rodger Frey had contacted Staff to notify them that he was aware of the attendance but would not be present;

AND WHEREAS Staff requested that a confidential pre-hearing conference be scheduled, and counsel agreed;

AND WHEREAS the Commission ordered that a confidential pre-hearing conference take place on March 18, 2013 at 9:00 a.m. or as soon thereafter as the hearing can be held;

AND WHEREAS at the confidential pre-hearing conference on March 18, 2013, Staff and counsel for Newer Technologies Limited and Ryan Pickering, and counsel for Rodger Frey attended and Staff requested that a further confidential pre-hearing conference be scheduled, and counsel agreed;

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

IT IS HEREBY ORDERED that a confidential pre-hearing conference shall take place on July 9, 2013 at 10:00 a.m. or as soon thereafter as the hearing can be held.

DATED at Toronto this 18th day of March, 2013.

"James E. A. Turner"

2.2.7 In the Matter of OSC Staff Notice 33-739 Termination of the Ontario Contingency Trust Fund and Certain Registered Dealers

Headnote

Relief for certain non-SRO mutual fund dealers and scholarship plan dealers, in connection with the wind-up of the Ontario Contingency Trust Fund, from the requirement that every registered dealer, other than an exempt market dealer as defined in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations, participate in a compensation fund or contingency trust fund that has been approved by the Commission and satisfies certain other requirements set out in that subsection – Relief in accordance with that set out in Ontario Securities Commission Staff Notice 33-379 Termination of the Ontario Contingency Trust Fund – Exemption granted from the activity fee required for filing an application for relief.

Statutes Cited

Securities Act, R.S.O. 1990, c. S.5, as am., s. 147.
Regulation made under the Securities Act, R.R.O. 1990, Reg, 1015, as am., Schedule 1, s. 110(1).

Rules Cited

Ontario Securities Commission Rule 13-502 Fees, ss. 4.1, 6.1.

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

REGULATION 1015
R.R.O. 1990, AS AMENDED, MADE UNDER THE ACT
(the "Regulation")

AND

ONTARIO SECURITIES COMMISSION RULE 13-502 FEES
(the "Fee Rule")

AND

IN THE MATTER OF
ONTARIO SECURITIES COMMISSION STAFF NOTICE 33-739
TERMINATION OF THE ONTARIO CONTINGENCY TRUST FUND

AND

CERTAIN REGISTERED DEALERS

COMMISSION ORDER
(Section 147 of the Act)

DIRECTOR EXEMPTION DECISION
(Section 6.1 of the Fee Rule)

Background

1. Subsection 110(1) of the Regulation requires every registered dealer, other than an exempt market dealer as defined in National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registration Obligations* (**NI 31-103**), to participate in a compensation fund or contingency trust fund that has been approved by the Commission and satisfies certain other requirements set out in that subsection (the **compensation fund participation requirement**).

2. The Ontario Contingency Trust Fund (the **OCTF** or **Plan**) is one of three compensation funds or contingency trust funds that have been approved by the Commission for the purposes of subsection 110(1) of the Regulation.

3. The terms of the OCTF are set out in a form of trust agreement (the **Trust Agreement**) that has been entered into by each participant in the Plan with the trustee (the **Trustee**) of the Plan.

4. Twenty-nine registered dealers (**OCTF Dealers**) that are not members of the Investment Industry Regulatory Organization of Canada (**IIROC**) or the Mutual Fund Dealers Association of Canada (**MFDA**) participate in the OCTF, and as such do not participate in the corresponding approved compensation fund for members of these self-regulatory organizations.

5. OCTF Dealers comprise scholarship plan dealers and mutual fund dealers that obtained an exemption from the requirement in Ontario securities law to be a member of the MFDA.

6. As indicated in Ontario Securities Commission Staff Notice 33-739 *Termination of the Ontario Contingency Trust Fund* (the **Notice**), the continued operation of the Plan is not financially sustainable. The Trustee has proposed that the OCTF be wound up in accordance with advice and direction from the court and the Commission has advised the Trustee that it does not object to the Trustee pursuing such a wind-up.

Applications

Each of the OCTF Dealers (each, a **Filer**) listed in the attached Appendix has applied to the Commission for an order, under section 147 of the Act, exempting the Filer from the compensation fund participation requirement on the terms set out in this Order.

Each Filer has also applied to the Director, under section 6.1 of the Fee Rule, for an exemption from the requirement in section 4.1 to pay a fee for its filing of these exemption applications.

Representations of each Filer

Each Filer has represented to the Commission and the Director that:

a. The Filer is not a member of either IIROC or the MFDA, and the Filer is not required by Ontario securities law to be a member of either of these self-regulatory organizations.

b. The Filer does not now hold for its clients any funds, securities or other property (Client Assets).

c. So long as the Filer relies upon the exemption from the compensation fund participation requirement set out in this Order, the Filer will not hold any Client Assets.

d. Before any person or company that is not a client of the Filer on the Effective Date (defined below) becomes a client of the Filer, the Filer will provide to that person or company prominent written notice of the following:

> *The Filer has obtained an exemption from the requirement in Ontario securities law to participate in an approved compensation fund or contingency trust fund. These funds provide for certain compensation to eligible clients of a participating dealer who suffer a financial loss as a result of the dealer becoming insolvent and not being able to return assets which it was holding on behalf of clients.*
>
> *It is a condition of the exemption that the Filer not hold any client assets.*

e. Within 60 days of the Effective Date, the Filer will have provided to any person or company that is an existing client of the Filer prominent written notice of the following:

> *The Filer has obtained an exemption from the requirement in Ontario securities law to participate in an approved compensation fund or contingency trust fund. These funds provide for certain compensation to eligible clients of a participating dealer who suffer a financial loss as a result of the dealer becoming insolvent and not being able to return assets which it was holding on behalf of clients.*
>
> *It is a condition of the exemption that the Filer not hold any client assets.*
>
> *The Filer was a participant in the Ontario Contingency Trust Fund at the time it applied for this exemption. It applied for this exemption in response to the proposed wind-up of that fund, as discussed in Ontario Securities Commission Staff Notice 33-739 Termination of the Ontario Contingency Trust Fund.*

f. The Filer will not rely upon the passport provisions of Canadian securities legislation to passport this Ontario Order into any other jurisdiction of Canada without the prior written consent of that other jurisdiction.

Commission Order

In the opinion of the Commission it is not prejudicial to the public interest to make this Order.

It is ordered by the Commission pursuant to section 147 of the Act that:

(i) beginning on the Effective Date (as defined below), each of the Filers is exempt from subsection 110(1) of the Regulation, but only so long as, in the case of that Filer:

A. the Filer is not required by Ontario securities law to be a member of either IIROC or the MFDA;

B. the Filer does not hold any Client Assets; and

C. the Filer provides the disclosure to its clients referred to in paragraph (d) above and has provided the disclosure to its clients referred to in the paragraph (e) above; and

(ii) this Order shall be effective on the day that is 30 calendar days after the date hereof (the "Effective Date").

DATED at Toronto, Ontario this 15 day of March, 2013.

"Mary Condon"
Commissioner
Ontario Securities Commission

"James Turner"
Commissioner
Ontario Securities Commission

Director Exemption Decision

The Director is satisfied that to grant this Exemption would not be prejudicial to the public interest.

It is the decision of the Director, pursuant to section 6.1 of the Fee Rule, that each Filer is exempt from the requirement in section 4.1 of the Fee Rule to pay an activity fee for the filing by the Filer of the above-referenced applications.

DATED at Toronto, Ontario this 15 day of March, 2013.

"Marrianne Bridge"
Marrianne Bridge, Deputy Director
Compliance and Registrant Regulation
Ontario Securities Commission

APPENDIX

1. AGF Investments Inc.
2. BluMont Capital Corporation
3. Brandes Investment Partners & Co.
4. Children's Education Funds Inc.
5. CI Funds Services Inc.
6. Citibank Canada Investment Funds Limited
7. C.S.T. Consultants Inc.
8. Equilife Investment Management Inc.
9. Fidelity Investments Canada ULC
10. Franklin Templeton Investments Corp.
11. FT Portfolios Canada Co.
12. Global RESP Corporation
13. Invesco Canada Ltd.
14. Knowledge First Financial Inc.
15. Matco Financial Inc.
16. Mawer Investment Management Ltd.
17. MFS McLean Budden Limited
18. NexGen Financial Limited Partnership
19. Portland Investment Counsel Inc.
20. Russell Investments Canada Limited
21. Sentry Invesments Inc.
22. Strathbridge Asset Management Inc.
23. Sun Life Global Investments (Canada) Inc.

2.2.8 Poseidon Concepts Corp. – s. 144

Headnote

Section 144 – application for variation of cease trade order – securities of issuer subject to cease trade order because issuer's interim financial reports were not prepared in accordance with Ontario securities laws – Canadian Derivatives Clearing Corporation ("CDCC") applied for a variation of the cease trade order in order to allow the holders of outstanding put contracts, issued and cleared by CDCC, and providing for the sale of common shares of the issuer (the "Put Contracts"), to exercise their rights to sell common shares of the issuer pursuant to the terms of the Put Contracts, to permit the sellers of the Put Contracts to perform their obligations to purchase common shares of the issuer pursuant to the terms of the Put Contracts, and to permit CDCC and each of its member firms to perform their obligations under the rules of CDCC in connection with the exercise and performance of such Put Contracts, including all requisite acts in furtherance thereof – variation granted subject to conditions.

Applicable Legislative Provisions

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

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

AND

IN THE MATTER OF
CANADIAN DERIVATIVES CLEARING CORPORATION

AND

IN THE MATTER OF
POSEIDON CONCEPTS CORP.

ORDER
(Section 144 of the Act)

WHEREAS the securities of Poseidon Concepts Corp. (the "**Issuer**") are subject to a temporary cease trade order issued by the Director on February 26, 2013 pursuant to paragraph 2 of subsection 127(1) and subsection 127(5) of the Act, as extended by a further cease trade order issued by the Director on March 11, 2013 pursuant to paragraph 2 of subsection 127(1) of the Act (the "**Cease Trade Order**"), directing that all trading in securities of the Issuer, whether direct or indirect, cease until further order by the Director;

AND WHEREAS the Cease Trade Order was made because the Issuer's interim financial reports for the periods ended March 31, 2012, June 30, 2012 and September 30, 2012 were not prepared in accordance with Ontario securities laws;

AND WHEREAS Canadian Derivatives Clearing Corporation ("**CDCC**") has made an application pursuant to section 144 of the Act for an order varying the Cease Trade Order in order to allow the holders of outstanding put contracts, issued and cleared by CDCC, and providing for the sale of common shares of the Issuer (the "**Put Contracts**"), to exercise their rights to sell common shares of the Issuer pursuant to the terms of the Put Contracts, to permit the sellers of the Put Contracts to perform their obligations to purchase common shares of the Issuer pursuant to the terms of the Put Contracts, and to permit CDCC and each of its member firms to perform their obligations under the rules of CDCC in connection with the exercise and performance of such Put Contracts, including all requisite acts in furtherance thereof;

AND UPON CDCC having represented to the Commission as follows:

1. The Issuer is an Alberta incorporated corporation having its head office in the Province of Alberta. Although the common shares of the Issuer are listed on the Toronto Stock Exchange, trading was halted after the Alberta Securities Commission (the principal regulator of the Issuer) issued a cease trade order on February 14, 2013 (the "**Alberta Cease Trade Order**"). The Issuer is a reporting issuer under the Act.

2. The applicant, CDCC, is a federally incorporated corporation which acts as the central clearing counterparty for exchange-traded derivative products (options and futures) in Canada. CDCC is the issuer of and clearinghouse for the Put Contracts which were traded on the Montreal Exchange prior to the imposition of the Alberta Cease Trade Order.

3. There are approximately (i) 1,354 outstanding Put Contracts and (ii) 20 Put Contracts which were exercised prior to the Cease Trade Order but in respect of which final settlement has not occurred due to the Cease Trade Order, which collectively provide for the sale and purchase of approximately 137,400 common shares of the Issuer.

4. As long as the Cease Trade Order remains in place, holders of the Put Contracts are unable to exercise their rights to sell common shares of the Issuer, the sellers of such Put Contracts are unable to perform their obligations under the Put Contracts and CDCC and its member firms may be precluded from performing their obligations under the rules of CDCC in respect of the exercise of the Put Contracts as they may be required to take acts in furtherance of the trades by holders and sellers of the Put Contracts upon their exercise.

5. On March 11, 2013, CDCC notified its members and asked its members to notify affected clients that CDCC had made application to the Commission on March 8, 2013 to allow the exercise of the Put Contracts and that interested parties, and in particular, writers and holders of the Put Contracts, were invited to make written submissions to the Commission by March 14, 2013 with respect to whether CDCC's application should be granted. The notice also advised members that the order sought may include a condition that limits the relief to holders of outstanding Put Contracts who are not current or former members of management or other insiders of the Issuer.

6. CDCC will promptly, following the making of this order, notify its members and ask its members to notify affected clients of the fact that this order will permit the exercise of outstanding Put Contracts but (i) will not permit holders of Put Contracts who do not own common shares of the Issuer to purchase such shares in order to make good delivery upon exercise, and (ii) will not permit holders of Put Contracts who are (a) current or former directors or officers of the Issuer or its subsidiaries, or (b) the beneficial owner of, or person who exercises control or direction over, more than 10% of the outstanding common shares of the Issuer and who has nominated or designated any member of the board of directors of the Issuer or who serves (or whose officers or directors serve) as a director or officer of the Issuer, to sell common shares of the Issuer under Put Contracts.

7. A similar order varying the Alberta Cease Trade Order was issued to CDCC by the Alberta Securities Commission on March 1, 2013. Although the securities of the Issuer are also subject to cease trade orders in British Columbia and Québec, the British Columbia Securities Commission issued a similar variation order on March 12, 2013 and CDCC has applied for similar relief in Québec.

AND WHEREAS CDCC has broad discretion under the CDCC rules, subject to the terms of the Cease Trade Order, to address the position of holders of Put Contracts who do not currently own common shares of the Issuer;

AND WHEREAS the Director has considered the submissions of CDCC and staff of the Commission and the rationale for the Cease Trade Order, and has concluded that the issue of this order, to the extent reasonably possible, balances a number of competing interests in all the circumstances, and achieves the objective of preserving the integrity of the capital markets;

AND WHEREAS the Director is satisfied that it would not be prejudicial to the public interest to make this order;

IT IS ORDERED, pursuant to section 144 of the Act, that the Cease Trade Order is hereby varied solely to permit (a) the holders of outstanding Put Contracts issued and cleared by CDCC to exercise their Put Contracts, whether or not such holder is a person described in paragraph 6(i) or 6(ii); (b) the holders of the Put Contracts to sell common shares of the Issuer under the terms of the Put Contracts; (c) the sellers of such Put Contracts to perform their obligations to purchase common shares of the Issuer under the terms of the Put Contracts; and (d) CDCC and its members to carry out their respective obligations under the rules of CDCC, including all requisite acts in furtherance of the trades described in (a), (b) and (c), provided that this order shall not apply to permit the sale of Issuer common shares by a person described in paragraph 6(i) who does not currently own common shares, or who is an insider or other person described in paragraph 6(ii), and provided further that the Cease Trade Order shall otherwise remain in effect, unamended except as expressly provided in this order.

DATED at Toronto on this 19th day of March, 2013.

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

Chapter 3

Reasons: Decisions, Orders and Rulings

3.1 OSC Decisions, Orders and Rulings

3.1.1 Axcess Automation LLC et al. – ss. 127, 127.1

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

AND

IN THE MATTER OF
THE COMMODITY FUTURES ACT,
R.S.O. 1990, c. C.20, AS AMENDED

AND

IN THE MATTER OF
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

REASONS AND DECISION ON SANCTIONS AND COSTS
(Sections 127 and 127.1 of the Act)

Hearing:	November 7, 2012		
Decision:	March 12, 2013		
Panel:	Christopher Portner	–	Commissioner and Chair of the Panel
	Paulette L. Kennedy	–	Commissioner
Appearances:	Yvonne Chisholm	–	For Staff of the Ontario Securities Commission
	Gordon Alan Driver	–	For himself, Axcess Automation LLC, Axcess Fund Management, LLC and Axcess Fund, L.P.
	Steven M. Taylor	–	For himself, Berkshire Management Services Inc. carrying on business as International Communication Strategies, 1303066 Ontario Ltd. carrying on business as ACG Graphic Communications and Montecassino Management Corporation
	Reynold Mainse	–	For himself and World Class Communications Inc.

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REASONS AND DECISION ON SANCTIONS AND COSTS
(Sections 127 and 127.1 of the Act)

I. INTRODUCTION

[1] This was a hearing (the "**Sanctions and Costs Hearing**") before the Ontario Securities Commission (the "**Commission**") pursuant to sections 127 and 127.1 of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "**Act**") to consider whether it is in the public interest to make an order with respect to sanctions and costs against Axcess Automation LLC ("**Axcess Automation**"), Axcess Fund Management, LLC ("**Axcess Fund Management**"), Axcess Fund, L.P. ("**Axcess Fund**") (collectively, the "**Axcess Companies**"), Gordon Alan Driver ("**Driver**"), Steven M. Taylor ("**Taylor**"), Berkshire Management Services Inc. ("**Berkshire**") carrying on business as International Communication Strategies ("**ICS**"), 1303066 Ontario Ltd. ("**1303066**") carrying on business as ACG Graphic Communications ("**ACG**"), Montecassino Management Corporation ("**Montecassino**", and together with Berkshire and 1303066, the "**Taylor Companies**"), Reynold Mainse ("**Reynold**") and World Class Communications Inc. ("**WCC**") (collectively, the "**Respondents**").

[2] We note that some of the respondents in this matter, namely, David Rutledge ("**Rutledge**"), 6845941 Canada Inc. ("**6845941**") also known as Anesis Investments ("**Anesis**") and Ronald Mainse ("**Ronald**"), entered into settlement agreements with Staff of the Commission ("**Staff**") which were approved by the Commission on August 13, 2010 (*Re Axcess Automation LLC* (2010), 33 O.S.C.B. 7376 (settlement with respect to Rutledge and 6845941) and *Re Axcess Automation LLC* (2010), 33 O.S.C.B. 7384 (settlement with respect to Ronald)).

[3] The Sanctions and Costs Hearing was held on November 7, 2012 following the hearing on the merits in this matter in April and May 2011 (the "**Merits Hearing**") and the issuance of the decision on the merits on September 27, 2012 ((2012), 35 O.S.C.B. 9019)(the "**Merits Decision"**). Staff appeared and made oral submissions, supported by written submissions, briefs of authorities, the Affidavit of Tia Faerber sworn October 25, 2012 regarding proceedings against Driver and certain of the Axcess Companies in the United States (the "**U.S.**") and the Affidavit of Rita Pascuzzi sworn October 25, 2012 regarding the costs sought by Staff.

[4] Prior to the Sanctions and Costs Hearing, Driver made a request that he be permitted to participate in the Sanctions and Costs Hearing by telephone, which Staff did not oppose. Rule 10.2 of the Commission's *Rules of Procedure* (2012), 35 O.S.C.B. 10009 (the "Rules of Procedure") permits electronic hearings including participation by telephone. Driver did not file any written submissions, but he did make oral submissions by telephone and asked the Panel to consider part of the testimony given by a witness, R.M., at the Merits Hearing on April 20, 2011.

[5] Taylor appeared and indicated that he did not intend to make any submissions to the Panel. He did not file any written materials.

[6] Reynold appeared, gave evidence on sanctions and costs and made oral submissions. He filed documents regarding his financial circumstances which we made confidential pursuant to Rule 5.2 of the Rules of Procedure.

[7] In the Notice of Hearing, Staff also requested sanctions and costs under sections 60 and 60.1 of the *Commodity Futures Act*, R.S.O. 1990, c. C.20, as amended (the "**CFA**"). As the Commission did not make findings under the CFA in the Merits Decision, it is not necessary to consider sanctions and costs under the CFA.

[8] In the Notice of Hearing and in its written submissions on sanctions and costs, Staff also sought to rely on subsection 127(10) of the Act which is the interjurisdictional enforcement provision. At the Sanctions and Costs Hearing, Staff indicated that, in light of the findings of the Panel in the Merits Decision, it is unnecessary for the Panel to consider the foregoing provision in imposing sanctions.

II. ANALYSIS

A. Sanctions

1. The Law

[9] The Commission's mandate, set out in section 1.1 of the Act, is to (i) provide protection to investors from unfair, improper or fraudulent practices; and (ii) foster fair and efficient capital markets and confidence in capital markets.

[10] In exercising its public interest jurisdiction, the Commission must act in a protective and preventative manner, as stated by the Commission in *Re Mithras Management Ltd.* (1990), 13 O.S.C.B. 1600 ("***Mithras***"):

> …the role of this Commission is to protect the public interest by removing from the capital markets – wholly or partially, permanently or temporarily, as the circumstances may warrant – those whose

> conduct in the past leads us to conclude that their conduct in the future may well be detrimental to the integrity of those capital markets. We are not here to punish past conduct; that is the role of the courts… We are here to restrain, as best we can, future conduct that is likely to be prejudicial to the public interest in having capital markets that are both fair and efficient. In so doing we must, of necessity, look to past conduct as a guide to what we believe a person's future conduct might reasonably be expected to be; we are not prescient, after all.
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> (*Mithras*, *supra*, at pp. 1610 and 1611)

[11] The Supreme Court of Canada has described the Commission's public interest jurisdiction as follows:

> … the purpose of an order under s. 127 is to restrain future conduct that is likely to be prejudicial to the public interest in fair and efficient capital markets. The role of the [Commission] under s. 127 is to protect the public interest by removing from the capital markets those whose past conduct is so abusive as to warrant apprehension of future conduct detrimental to the integrity of the capital markets.
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> (*Committee for the Equal Treatment of Asbestos Minority Shareholders v. Ontario (Securities Commission)*, [2001] 2 S.C.R. 132 at para. 43)

[12] The Supreme Court of Canada has recognized that general deterrence is an important factor in imposing sanctions: "… it is reasonable to view general deterrence as an appropriate, and perhaps necessary, consideration in making orders that are both protective and preventative" (*Re Cartaway Resources Corp.*, [2004] 1 S.C.R. 672 at para. 60).

[13] The Commission has previously identified the following as factors that the Commission should consider when imposing sanctions:

(a) The seriousness of the conduct and the breaches of the Act;

(b) The respondent's experience in the marketplace;

(c) The level of a respondent's activity in the marketplace;

(d) Whether or not there has been recognition by a respondent of the seriousness of the improprieties;

(e) Whether or not the sanctions imposed may serve to deter not only those involved in the matter being considered, but any like-minded people, from engaging in similar abuses of the capital markets;

(f) The size of any profit obtained from or loss avoided by the illegal conduct;

(g) The size of any financial sanction or voluntary payment;

(h) The effect any sanctions may have on the ability of a respondent to participate without check in the capital markets;

(i) The reputation and prestige of the respondent;

(j) The remorse of the respondent; and

(k) Any mitigating factors;

(see, for example, *Re Belteco Holdings Inc.* (1998), 21 O.S.C.B. 7743 ("***Belteco***") at p. 7746; and *Re M.C.J.C. Holdings Inc.* (2002), 25 O.S.C.B. 1133 ("***M.C.J.C. Holdings***") at p. 1136)

[14] In determining the appropriate sanctions to be ordered, the Commission will also consider the specific circumstances in each case and ensure that the sanctions are proportionate to those circumstances (*M.C.J.C. Holdings*, *supra*, at p. 1134).

[15] Further, in imposing financial sanctions, overall financial sanctions imposed on each respondent is a relevant consideration (*Re Sabourin* (2010), 33 O.S.C.B. 5299 ("***Sabourin Sanctions and Costs***") at para. 59). The Commission has also held in prior decisions that ability to pay, while not a predominant or determining factor, is relevant in determining the appropriate financial sanctions to be imposed (*Sabourin Sanctions and Costs*, *supra*, at para. 60).

2. Specific Sanctioning Factors Applicable in this Matter

[16] In determining the appropriate sanctions, we have taken into account the factors summarized in the following paragraphs. The allegations made by Staff and proven in this matter with respect to Driver, the Axcess Companies, Taylor and the Taylor Companies demonstrate egregious behavior on their part. The foregoing Respondents engaged in unregistered trading and an illegal distribution, contrary to subsections 25(1)(a) and 53(1) of the Act. Driver and the Axcess Companies did so by creating and operating two investment schemes, known as the "**Axcess Automation Investment**" and its successor, the "**Axcess Fund Investment**" (together, the "**Axcess Investments**"), and by administering the Axcess Investments primarily through individuals known as "point persons". Taylor was one such point person and established an infrastructure through the Taylor Companies to solicit investors and to administer the Axcess Investments on their behalf.

[17] The two investment schemes were found to be fraudulent and Driver, the Axcess Companies, Taylor and the Taylor Companies were found to have knowingly engaged in fraud contrary to subsection 126.1(b) of the Act. It was represented to investors that the Axcess Investments would generate superior returns by trading E-mini S&P 500 futures on the Chicago Mercantile Exchange or other future contracts or options using proprietary software. Most of the US$15,169,160.72 raised from investors, however, was not used to trade E-mini S&P 500 futures or other future contracts or options as represented. Rather, a majority of those funds, US$10,356,704.72, were diverted to pay investors to create the appearance of a legitimate investment. Investor funds were also diverted to pay Driver's personal expenses and commissions to point persons (see Merits Decision, *supra*, at paras. 256 and 257). While Driver did use a small portion of investor funds, in the approximate amount of US$3,621,665, to trade E-mini S&P 500 futures, he suffered significant trading losses in the approximate amount of US$3,532,237.52, and he and the Axcess Companies failed to disclose the losses to investors. Taylor and the Taylor Companies were aware of the fraudulent nature of the scheme since May 2007 but continued to provide incomplete information and misinformation and failed to provide accurate information, all of which constituted deceit and material misrepresentation.

[18] As we concluded in the Merits Decision:

> The evidence demonstrates that Driver was the directing mind of an investment scheme that, whatever its original objectives, was clearly fraudulent notwithstanding periodic allusions to the desirability of investors using the proceeds derived from their investments for charitable and religious purposes. Taylor was inextricably involved in furthering the fraudulent elements of the scheme and was clearly aware that he and Driver and their respective companies were acting illegally.
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> (Merits Decision, *supra*, at para. 306)

[19] Reynold, who was also a point person and received funds personally and through WCC as a result of his involvement in the Axcess Investments, and WCC were found to have engaged in unregistered trading and illegal distribution, contrary to subsections 25(1)(a) and 53(1) of the Act. However, Staff did not allege any fraudulent behavior by Reynold or WCC and there was no evidence of such behaviour.

[20] We also found that Driver, Taylor and Reynold authorized, permitted or acquiesced in the non-compliance by the Axcess Companies, the Taylor Companies and WCC, respectively, with Ontario securities law and they were, therefore, deemed liable for the non-compliance by their respective companies pursuant to section 129.2 of the Act.

[21] The level of the Respondents' activities in the marketplace and the amounts raised by the Respondents were significant. Driver and the Axcess Companies operated the Axcess Investments over a period of more than three years, from February 2006 to March 2009, and Taylor and the Taylor Companies were involved from almost the inception of the scheme. Reynold and WCC were only involved in the scheme for the approximately 18-month period from July 2007 to the end of 2008.

[22] As noted in paragraph 256 of the Merits Decision, we were unable to fully reconcile the amounts received and dispersed by Driver. However, the discrepancies in Staff's analysis of the flow of funds did not affect our findings in the Merits Decision that the majority of the funds received from investors was dispersed for purposes unrelated to the trading of E-mini S&P 500 futures or other future contracts or options as represented to investors. We accepted in the Merits Decision that approximately US$15,169,160.72 was raised from approximately 252 investors, as follows:

(a) Approximately US$2,126,085.48 was raised from the investor group administered by Taylor and comprised of approximately 130 investors (the "**Taylor Group**");

(b) Approximately US$4,131,400.96 was raised from the investor group administered by Reynold and comprised of 23 investors, all of whom were members of Reynold's family and friends (the "**Reynold Group**");

(c) Approximately US$2,051,199.39 was raised from the investor group administered by Ronald and Rutledge and comprised of 45 investors (the "**Rutledge/Ronald Group**"); and

(d) Approximately US$6,860,474.89 was raised from 54 other investors who invested with Driver directly (the "**54 Investors**").

[23] Of the US$15,169,160.72 raised, approximately US$10,356,704.72 was returned to investors, as follows:

(a) Approximately US$4,098,564.91 was received by the Taylor Group;

(b) Approximately US$2,875,054.87 was received by the Reynold Group;

(c) Approximately US$746,507 was received by the Rutledge/Ronald Group; and

(d) Approximately US$2,636,577.94 was received by the 54 Investors.

Accordingly, approximately US$4,812,456 has not been returned to investors.

[24] In the Merits Decision, we also found that Taylor and Reynold received payments as a result of their involvement in the Axcess Investments. Taylor was found to have received US$1,430,216 through accounts in his name and accounts in the name of one of the Taylor Companies. Reynold was found to have received $210,219.50 through an account in his name and another account in the name of WCC.

[25] In determining the appropriate sanctions against Reynold and WCC, we have also taken into account the terms of the Settlement Agreement between Rutledge and Staff which we consider to be a relevant factor (*Re Sextant Capital Management Inc.* (2012), 35 O.S.C.B. 5213 ("***Sextant Sanctions and Costs***") at para. 12). As Staff submits, Reynold acted in a similar capacity as Rutledge in connection with the Axcess Investments.

[26] Driver submitted that a mitigating factor that applies to him is that R.M., who was a witness at the Merits Hearing, admitted to extortion, blackmail and money laundering. We made no such findings in the Merits Decision and reject this submission.

[27] Reynold submitted that he does not have the financial means to pay monetary sanctions and provided copies of his income tax returns and other financial information in support of his submission. Although the documents submitted by Reynold did reflect limited financial means, they did not appear to fully reflect all amounts received by him and WCC in connection with the Axcess Investments and, accordingly, it was not possible to develop an entirely clear picture of his financial circumstances. In addition, although the financial and other personal commitments made by Reynold and his wife to a number of charitable undertakings, including foreign missionary work, appears to have been undertaken at great personal sacrifice and is laudable, the fact remains that a significant portion of the funds that were used by them for these purposes were investor funds, and many investors lost a substantial portion of their investments.

[28] We recognize that a number of mitigating factors may apply in determining the appropriate sanctions with respect to Reynold. Although Reynold may have been insensitive to obvious flaws in the Axcess Investments and to the highly improbable rates of return that were promised by Driver, he eventually ceased to solicit funds from new investors although he did continue to accept new funds from existing investors. Reynold cooperated with Staff during Staff's investigation, was interviewed on a voluntary basis and voluntarily provided Staff with documents relating to the Axcess Investments. At the commencement of the Merits Hearing, Reynold, on his own behalf and on behalf of WCC, admitted to all of the allegations against them and testified to provide a full factual record to the Commission.

[29] In addition, during the Sanctions and Costs Hearing, Reynold expressed remorse and accepted or did not oppose the imposition of all of the trading and other market prohibitions requested by Staff. We accept his testimony that the collapse of the Axcess Investments was a source of considerable personal embarrassment and humiliation and had serious adverse effects on his career, reputation, family and financial circumstances.

3. Trading and Other Market Prohibitions

[30] Staff requests that Driver, the Axcess Companies, Taylor and the Taylor Companies be subject to permanent trading and acquisition bans and that any exemptions in Ontario securities law do not apply to them permanently. Staff submits that no "carve-out" should be granted to Driver or Taylor for personal trading in a registered retirement savings plan ("**RRSP**") or similar account because their conduct demonstrates that they cannot be trusted to participate in the capital markets in even a limited capacity. Staff further requests that Driver and Taylor resign as a director or officer of an issuer and that permanent director and officer bans as well as registrant bans be ordered against Driver and Taylor.

[31] Staff also requests trading and acquisition bans for a period of 12 to 15 years against Reynold and WCC and that any exemptions in Ontario securities law do not apply to Reynold and WCC for a period of 12 to 15 years. At the Sanctions and Costs Hearing, Staff clarified that it would be appropriate to grant a carve-out to Reynold that is similar to that ordered in Staff's

settlement with Rutledge, which permits Rutledge to trade and acquire securities for the account of his RRSP and the benefits from any exemptions in connection with such trades. Staff also requests that Reynold resign as a director or officer of an issuer and that director and officer bans as well as registrant bans for a period of 12 to 15 years be imposed on Reynold.

[32] Driver and Taylor made no submissions regarding trading or other market prohibitions against them. During the Sanctions and Costs Hearing, Reynold indicated that he consented or did not object to the trading and other market prohibitions for a period of 12 to 15 years as requested by Staff and that he had no intention to participate in the capital markets in the future.

[33] Driver, through the Axcess Companies of which he was a director or officer, created and perpetrated a fraudulent investment scheme and raised approximately US$15,169,160.72 from approximately 252 investors. Taylor, through the Taylor Companies of which he was a director or officer, furthered this fraudulent scheme. Taylor acted as a point person for approximately 130 investors and raised US$2,126,085.48 out of the total of US$15,169,160.72 raised. There was also evidence that these Respondents improperly relied on a number of exemptions, including the accredited investor exemption, the private issuer exemption and the minimum amount exemption.

[34] In our view, the following principles articulated in *Re St. John* (1998), 21 O.S.C.B. 3851 ("***St. John***") regarding the imposition of permanent trading bans are applicable to Driver, the Axcess Companies, Taylor and the Taylor Companies:

> In our view St. John is not a person whom we can safely trust to participate in the capital markets in any way. We have no confidence whatsoever that if she is permitted to participate as a [*sic*] investor for her own account, St. John will not once again push the envelope by engaging in conduct which is detrimental to others and abusive of our capital markets.
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> (*St John*, *supra*, at p. 3867)

[35] Having considered all of the sanctioning factors, we conclude that Driver, the Axcess Companies, Taylor and the Taylor Companies should be permanently prohibited from participating in the capital markets in any way and from being placed in a position of control or trust with respect to any issuer, registrant or investment fund manager. Accordingly, we will order permanent trading bans and the other market prohibitions against them requested by Staff, as set out in subparagraphs [68](a), (c), (e), (g), (h), (j), (l) and (n) below.

[36] With respect to Reynold and WCC, we acknowledge that there was no evidence that Reynold and WCC were involved in fraudulent misconduct. However, he acted as a point person for the 23 investors who are members of his family and friends, engaged in unregistered trading and the illegal distribution of securities issued by the Axcess Companies and raised US$4,131,400.96, which is a significant amount. Reynold received funds through WCC, of which he was a director or officer, and there was also evidence that he purported to rely on certain exemptions such as the private issuer exemption which were not available to him. At the Sanctions and Costs Hearing, Reynold consented or did not object to the trading and other market prohibitions against him. In these circumstances, we are of the view that it is appropriate to order trading and other market prohibitions against Reynold for a period of 15 years and a carve-out which permits Reynold to trade in or acquire securities for the account of his RRSP. We observe that this is consistent with the orders agreed to in the Settlement Agreement between Staff and Rutledge, who played a similar role in the Axcess Investments. We further order that Reynold will only be permitted to trade and acquire securities for the account of his RRSP and to benefit from any exemptions in connection with such trades once the administrative penalty and disgorgement ordered against him, set out below, are paid in full. Our permanent trading bans and other market prohibition orders against Reynold and WCC are set out in subparagraph [68](b), (d), (f), (g), (i), (k), (m) and (o) below.

4. Disgorgement

[37] In its written submissions, Staff requests the following disgorgement orders against the Respondents, namely, that:

(a) Driver and the Axcess Companies jointly and severally disgorge to the Commission the amount of US$9,036,352.95, comprised of US$4,812,456.00 raised from the Taylor Group, the Reynold Group and the Rutledge Group and US$4,223,896.95 raised from the 54 Investors;

(b) Taylor and the Taylor Companies jointly and severally disgorge to the Commission the amount of US$1,430,216.00 to which reference is made in paragraph [24] above; and

(c) Reynold and WCC jointly and severally disgorge to the Commission the amount of $210,219.50 to which reference is made in paragraph [24] above.

[38] Driver and Taylor made no submissions regarding the disgorgement orders. However, Driver submitted that there are outstanding monetary orders against him in the U.S. as a result of a proceeding against him by the United States Commodity Futures Trading Commission (the "**CFTC**"). The orders include an order of restitution and a monetary penalty against Driver,

Axcess Automation and Axcess Fund Management in the respective amounts of US$9,562,488 and US$31,800,000 on a joint and several basis. Driver claims that the findings made by the court in the U.S. giving rise to these orders take into account all of the funds obtained from Canadian investors.

[39] As discussed in paragraph [27] above, Reynold made submissions and provided evidence that he does not have ability to disgorge the amounts that he received. He submitted that he would have settled with the Commission if he had the ability to pay and that he personally invested in the Axcess Investments and it was unclear to him whether the funds he received were commissions or returns on the investment, the latter of which should not be subject to a disgorgement order. He submitted that the commissions or returns on his personal investment were used for his Christian ministry and not personally and that he did not gain or benefit personally from the Axcess Investments. He took the position that he had no knowledge of wrongdoing and did not receive the funds illegally or unethically but, rather that the funds were given to him illegally and unethically.

[40] Subsection 127(1)10 of the Act provides that a person or company that has not complied with Ontario securities law can be ordered to disgorge to the Commission "any amounts obtained" as a result of the non-compliance. The purpose of a disgorgement order is to ensure that a respondent does not benefit from his or her breaches of the Act and to deter the respondent and others from similar misconduct (*Sabourin Sanctions and Costs*, *supra*, at para. 69).

[41] When determining the appropriate disgorgement orders, we are guided by the non-exhaustive list of factors set out in *Re Limelight Entertainment Inc.* (2008), 31 O.S.C.B. 12030 ("***Limelight Sanctions and Costs***") at para. 52. The Commission in that decision noted that Staff has the onus to prove on a balance of probabilities the amount obtained by a respondent as a result of his or her non-compliance with the Act. Subject to that onus, any risk of uncertainty in calculating disgorgement should fall on the wrongdoer whose non-compliance with the Act gave rise to the uncertainty (*Limelight Sanctions and Costs*, *supra*, at para. 53).

[42] We take it from Staff's submissions that its request is for the Respondents to disgorge any amounts obtained that have not been returned to investors. We do not accept Staff's submission that the entire amount obtained that has not been returned to investors is US$9,036,352.95. As discussed in paragraph [22] above, the entire amount raised from the Taylor Group, the Reynold Group, the Rutledge/Ronald Group and the 54 Investors, as found in the Merits Decision, was US$15,169,160.72 (Merits Decision, *supra*, at para. 256). We further found in the Merits Decision that US$10,356,704.72 was returned to these four groups of investors (Merits Decision, *supra*, at para. 258). Accordingly, the amount that has not been returned to these four groups of investors is US$4,812,456.00.

[43] Driver raised US$15,169,160.72 through the Axcess Companies by engaging in a fraudulent investment scheme in contravention of the Act and was found to have maintained and controlled accounts in his name or in the name of Axcess Automation for the receipt and transfer of investor funds. While approximately US$10,356,704.72 has been returned to investors, many investors suffered significant losses.

[44] In determining the appropriate disgorgement order, we have also considered Driver's argument that there are monetary orders against him and certain of the Axcess Companies as a result of the proceedings in the U.S. which purportedly take into account all of the funds raised from investors in Canada. Having reviewed the evidence before us relating to the U.S. proceedings against Driver, including the Affidavit of Tia Faerber sworn October 25, 2012, we are not satisfied that there is sufficient evidence to establish the connection asserted by Driver. We further note that there is no evidence that Driver made any payment in satisfaction of the monetary orders in the U.S. As noted by Driver, he was, at the time of the Sanctions and Costs Hearing, in the process of appealing the monetary orders against him in the U.S.

[45] In these circumstances, we feel that it is appropriate to order that Driver and the Axcess Companies jointly and severally disgorge the amount that we found in the Merits Decision has not been returned to investors to ensure that Driver and the Axcess Companies do not retain any financial benefit from their breaches of the Act and to achieve general and specific deterrence. For the purpose of disgorgement, the Canadian dollar equivalent of US$4,812,456.00, the amount obtained by Driver and the Axcess Companies that has not been returned to investors, was $5,303,326.51, which was calculated using the Bank of Canada average daily noon exchange rate for the period from February 2006 to March 2009.[1]

[46] Taylor, through the Taylor Companies, received US$1,430,216 as compensation for his involvement in the Axcess Investments. Although these Respondents only administered the investments of investors in the Taylor Group, who collectively do not appear to have suffered a loss of the amounts that they invested, the breaches of the Act by Taylor and the Taylor Companies are nonetheless serious as they furthered the deceit and misrepresentations and placed the funds of the investors in the Taylor Group at a significant risk of loss. In addition, the fact that the investors in the Taylor Group received US$1,972,479.43 more than they invested meant that other investors received less than they were entitled to receive as a return of their investments and some investors lost a substantial portion of their investments. In the circumstances, it is appropriate to order that Taylor and the Taylor Companies disgorge US$1,430,216 which they received as a result of their involvement in the Axcess Investments on a joint and several basis with Driver and the Axcess Companies. For the purpose of disgorgement, the

[1] The Bank of Canada average daily noon exchange rate for the period from February 2006 to March 2009 is 1.1020.

Canadian dollar equivalent of US$1,430,216, the amount obtained by Taylor and the Taylor Companies, was $1,576,098.03, which was calculated using the Bank of Canada average daily noon exchange rate for the period from February 2006 to March 2009.[2]

[47] Reynold and WCC received $210,219.50 as a result of their involvement in the Axcess Investments. Although Reynold only administered the investments of investors in the Reynold Group, he did solicit their investments and the members of the Reynold Group collectively lost US$1,256,346.09. Reynold's characterization of the payments that he received from Driver, set out in paragraph [39] above, does not alter the fact that his financial contributions to religious undertakings were made, in whole or in part, with investor funds. Further, despite Reynold's characterization that some of the funds may have been a return on his investment, Reynold acknowledged that some of the funds may have been compensation for services rendered by Reynold as a point person for the Axcess Investments, and we found in paragraph 163 of the Merits Decision that all of the $210,219.50 was obtained as a result of his involvement in the Axcess Investments. In the circumstances, it is appropriate to order that Reynold and WCC disgorge $210,219.50 which they received as a result of their involvement in the Axcess Investments on a joint and several basis with Driver and the Axcess Companies.

[48] As a result of the settlements referred to in paragraph [2] above, orders were issued by the Commission requiring Ronald to disgorge to the Commission the amount of $138,176.88 and Rutledge and 6845941 to disgorge to the Commission the amount of $262,818.92. In determining the appropriate amount to be disgorged by the Respondents, we have taken into account any amounts that have been ordered to be disgorged by the Commission in the foregoing settlements.

[49] For the reasons set out above, we will order that:

(a) Driver and the Axcess Companies jointly and severally disgorge the amount of $3,116,013.18, which we have calculated by deducting from the amount of $5,303,326.51 described in paragraph [45] above (i) the aggregate amount which the remaining Respondents have been ordered to pay on a joint and several basis with Driver and the Axcess Companies; and (ii) to avoid the duplication of payments, the aggregate amount which Rutledge, 6845941 and Ronald have been ordered to pay under the terms of their respective settlement agreements;

(b) Driver, the Axcess Companies, Taylor and the Taylor Companies jointly and severally disgorge the amount of $1,576,098.03; and

(c) Driver, the Axcess Companies, Reynold and WCC jointly and severally disgorge the amount of $210,219.50.

[35] The amounts paid to the Commission in satisfaction of the disgorgement orders are designated for allocation or use by the Commission pursuant to subsections 3.4(2)(b)(i) or (ii) of the Act.

5. Administrative Penalty

[50] Staff requests that:

(a) Driver and the Axcess Companies jointly and severally pay an administrative penalty in the amount of $750,000;

(b) Taylor and the Taylor Companies jointly and severally pay an administrative penalty in the amount of $500,000; and

(c) Reynold and WCC jointly and severally pay an administrative penalty in the amount of $35,000.

[51] Driver and Taylor did not make specific submissions regarding administrative penalties.

[52] Reynold requested that no administrative penalty be ordered against him because he had (i) no ability to pay; (ii) cooperated voluntarily and fully with Staff from the beginning of its investigation; and (iii) testified at the Merits Hearing to provide a full record.

[53] As noted above, Driver, through the Axcess Companies, created and operated an investment scheme that, whatever its original objectives, became fraudulent when Driver misrepresented to investors and prospective investors that their funds would be invested in E-mini S&P 500 futures or other future contracts or options when in reality they were used to pay Driver's personal expenses or to pay investors as a return on their respective investments to create the appearance that the Axcess Investments were legitimate. We are of the view that a significant administrative penalty against Driver and the Axcess

[2] See Footnote 1.

Companies is necessary to achieve specific and general deterrence. Accordingly, we order that Driver and the Axcess Companies pay an administrative penalty in the amount of $750,000 on a joint and several basis.

[54] We also find it appropriate to impose an administrative penalty in the amount of $500,000 against Taylor and the Taylor Companies on a joint and several basis. We recognize that Taylor and the Taylor Companies did not create the fraudulent investment scheme and were only responsible for the investments of one of the investor groups. Nonetheless, they were aware of the fraudulent nature of the Axcess Investments since May 2007 and were inextricably involved in furthering the fraudulent elements of the scheme by continuing to provide incomplete information and misinformation and by failing to provide accurate information. In our view, a lesser but nonetheless significant administrative penalty must be imposed on these Respondents to achieve general and specific deterrence.

[55] Finally, it is appropriate in the circumstances to impose an administrative penalty in the amount of $35,000 against Reynold and WCC on a joint and several basis. As acknowledged by Staff, there was no evidence that Reynold and WCC acted fraudulently. In considering the administrative penalty to be ordered, we also take into account the mitigating factors set out in paragraphs [28] and [29] above. Nonetheless, Reynold raised a significant amount of funds in breach of the registration and prospectus requirements and an administrative penalty must be imposed to achieve specific and general deterrence.

[56] In determining the appropriate administrative penalties, we have considered the cases referred to us by Staff, including *Limelight Sanctions and Costs*, *Re Rowan* (2009), 33 O.S.C.B. 91, appeals denied in *Rowan v. Ontario Securities Commission* (2010), 103 O.R. (3d) 484 (Div. Ct.) and (2012), 110 O.R. (3d) 492 (C.A.), *Re Al-Tar Energy Corp.* (2011), 34 O.S.C.B. 447, *Re Hibbert* (2012), 35 O.S.C.B. 9013 ("***Hibbert Sanctions and Costs***"), Sextant Sanctions and Costs and *Re MP Global Financial Ltd.* (2012), 35. O.S.C.B. 9061. We find the amounts proposed by Staff to be within the range of penalties ordered by the Commission against respondents involved in similar misconduct and proportional to the circumstances and conduct of each Respondent.

[57] For the reasons set out above, we order that:

(a) Driver and the Axcess Companies jointly and severally pay an administrative penalty in the amount of $750,000;

(b) Taylor and the Taylor Companies jointly and severally pay an administrative penalty in the amount of $500,000; and

(c) Reynold and WCC jointly and severally pay an administrative penalty in the amount of $35,000.

[58] The amounts paid to the Commission in satisfaction of the administrative penalties are designated for allocation or use by the Commission pursuant to subsections 3.4(2)(b)(i) or (ii) of the Act.

B. Costs

[59] Staff requests that Driver, the Axcess Companies, Taylor and the Taylor Companies jointly and severally pay costs in the amount of $202,186.87. Staff further requests that Reynold and WCC jointly and severally pay costs in the amount of $2,500.

[60] Staff prepared a Bill of Costs in support of the amounts requested and submits that a conservative approach was employed in preparing it. The Bill of Costs reflects the time spent by a senior litigation counsel, an investigation counsel and a law clerk, and does not include any time spent by students-at-law or assistants. Staff submits that only half of the hours incurred by these individuals during the litigation phase have been claimed, and no time has been claimed in connection with the investigation, the preparation for and attendance at the Sanctions and Costs Hearing or settlement discussions and settlement hearings relating to Rutledge, 6845941 and Ronald. Staff further submits that no claim has been made for disbursements incurred throughout the matter.

[61] The Respondents did not make any specific submissions with respect to costs.

[62] Pursuant to section 127.1 of the Act, the Commission has the discretion to order a person or company to pay the costs of an investigation and hearing if the Commission is satisfied that the person or company has not complied with the Act or has not acted in the public interest (see also *Hibbert Sanctions and Costs*, *supra*, at para. 28). Factors to be considered by the Commission when awarding costs are set out in Rule 18.2 of the *Rules of Procedure*. The factors in Rule 18.2 that we consider relevant are discussed in further detail below.

[63] The total amount claimed by Staff in this matter is $202,186.87, which we accept as representing only a portion of Staff's costs related to this proceeding, as described in paragraph [60] above. We find that this portion of Staff's total costs is appropriate in the circumstances. In determining the amount of costs to be ordered in this case, we also note that Staff made

allegations under both the Act and the CFA. The Commission, having considered the principles articulated in *R. v. Kienapple*, [1975] 1 S.C.R. 729, found it unnecessary to apply the CFA in its Merits Decision as the conduct establishing breaches of the CFA was essentially the same conduct that established breaches under the identical provisions of the Act.

[64] We find that Driver, the Axcess Companies, Taylor and the Taylor Companies should be jointly and severally liable for the entire amount that Staff is claiming, namely, $202,186.87. The misconduct of Driver and the Axcess Companies formed the basis of all of the allegations proven by Staff. Following a seven-day hearing, we found that Driver breached subsections 25(1)(a), 53(1) and 126.1(b) of the Act and that he was liable for the non-compliance by the Axcess Companies with Ontario securities law. Taylor and the Taylor Companies were actively involved in the administration of the Axcess Investments and, as in the case of Driver and the Axcess Companies, Staff proved breaches of subsections 25(1)(a), 53(1) and 126.1(b) of the Act by Taylor and the Taylor Companies and Taylor's liability as a director or officer of the Taylor Companies.

[65] We further note that we were disturbed by Driver's conduct during the Merits Hearing. Driver made a number of adjournment requests, all of which were considered by the Panel to be without merit and were denied, and there was a finding that Driver had a history of changing counsel and did not retain counsel or request an adjournment until the last possible moment. In addition, when Driver advised the Panel that he was obliged to attend a hearing before the U.S. Securities and Exchange Commission, the Panel agreed not to sit on that day to enable Driver's attendance at such hearing. The Panel subsequently received evidence that Driver failed to attend. Driver also failed to comply with the timeline set out in the Rules of Procedure with respect to calling witnesses and did not arrange to call his witnesses until the second day of the Merits Hearing, which Staff and the Commission again accommodated to ensure fairness.

[66] In our view, it is appropriate to order costs in the nominal amount of $2,500 against Reynold and WCC on a joint and several basis. Reynold, on his own behalf and on behalf of WCC, made admissions on the first day of the Merits Hearing and gave evidence about the Axcess Investments which contributed to a more efficient and effective hearing. His evidence, which served to provide a full factual record, also helped the Commission to better understand the issues before it. We find that an order for nominal costs adequately reflects Reynold and WCC's cooperation in this case.

[67] For the reasons set out above, we order that:

(a) Driver, the Axcess Companies, Taylor and the Taylor Companies jointly and severally pay costs in the amount of $199,686.87;

(b) Reynold, WCC, Driver, the Axcess Companies, Taylor and the Taylor Companies jointly and severally pay costs in the amount of $2,500.

III. CONCLUSION

[68] For the reasons set out above, we conclude that it is in the public interest to make the following orders. We are of the view that the sanctions imposed will deter the Respondents and other like-minded individuals from engaging in similar misconduct in the capital markets in the future and that the sanctions are proportionate to the circumstances and conduct of each Respondent:

(a) Pursuant to clause 2 of subsection 127(1) of the Act, trading in any securities by Driver, Axcess Automation, Axcess Fund Management, Axcess Fund, Taylor, Berkshire, 1303066 and Montecassino shall cease permanently;

(b) Pursuant to clause 2 of subsection 127(1) of the Act, trading in any securities by Reynold and WCC shall cease for a period of 15 years, provided that Reynold is permitted to trade securities for the account of his RRSP, as defined in the *Income Tax Act*, R.S.C. 1985, c. 1, as amended, once the administrative penalty and disgorgement order set out in paragraphs (r) and (u) below are paid in full;

(c) Pursuant to clause 2.1 of subsection 127(1) of the Act, the acquisition of any securities by Driver, Axcess Automation, Axcess Fund Management, Axcess Fund, Taylor, Berkshire, 1303066 and Montecassino is prohibited permanently;

(d) Pursuant to clause 2.1 of subsection 127(1) of the Act, the acquisition of any securities by Reynold and WCC is prohibited for a period of 15 years, provided that Reynold is permitted to acquire securities for the account for his RRSP once the administrative penalty and disgorgement order set out in paragraphs (r) and (u) below are paid in full;

(e) Pursuant to clause 3 of subsection 127(1) of the Act, any exemptions contained in Ontario securities law do not apply to Driver, Axcess Automation, Axcess Fund Management, Axcess Fund, Taylor, Berkshire, 1303066 and Montecassino permanently;

(f) Pursuant to clause 3 of subsection 127(1) of the Act, any exemptions contained in Ontario securities law do not apply to Reynold and WCC for a period of 15 years, except to the extent such exemption is necessary for trades undertaken in connection with the account of Reynold's RRSP once the administrative penalty and disgorgement order set out in paragraphs (r) and (u) below are paid in full;

(g) Pursuant to clause 7 of subsection 127(1) of the Act, Driver, Taylor and Reynold resign any positions that they hold as a director or officer of an issuer;

(h) Pursuant to clause 8 of subsection 127(1) of the Act, Driver and Taylor are prohibited permanently from becoming or acting as a director or officer of any issuer;

(i) Pursuant to clause 8 of subsection 127(1) of the Act, Reynold is prohibited from becoming or acting as a director or officer of any issuer for a period of 15 years;

(j) Pursuant to clause 8.2 of subsection 127(1) of the Act, Driver and Taylor are prohibited permanently from becoming or acting as a director or officer of a registrant;

(k) Pursuant to clause 8.2 of subsection 127(1) of the Act, Reynold is prohibited from becoming or acting as a director or officer of a registrant for a period of 15 years;

(l) Pursuant to clause 8.4 of subsection 127(1) of the Act, Driver and Taylor are prohibited permanently from becoming or acting as a director or officer of an investment fund manager;

(m) Pursuant to clause 8.4 of subsection 127(1) of the Act, Reynold is prohibited from becoming or acting as a director or officer of an investment fund manager for a period of 15 years;

(n) Pursuant to clause 8.5 of subsection 127(1) of the Act, Driver and Taylor are prohibited permanently from becoming or acting as a registrant, as an investment fund manager or as a promoter;

(o) Pursuant to clause 8.5 of subsection 127(1) of the Act, Reynold is prohibited from becoming or acting as a registrant, as an investment fund manager or as a promoter for a period of 15 years;

(p) Pursuant to clause 9 of subsection 127(1) of the Act, Driver, Axcess Automation, Axcess Fund Management and Axcess Fund shall jointly and severally pay an administrative penalty in the amount of $750,000, which is designated for allocation or use by the Commission pursuant to subsections 3.4(2)(b)(i) or (ii) of the Act;

(q) Pursuant to clause 9 of subsection 127(1) of the Act, Taylor, Berkshire, 1303066 and Montecassino shall jointly and severally pay an administrative penalty in the amount of $500,000, which is designated for allocation or use by the Commission pursuant to subsections 3.4(2)(b)(i) or (ii) of the Act;

(r) Pursuant to clause 9 of subsection 127(1) of the Act, Reynold and WCC shall jointly and severally pay an administrative penalty in the amount of $35,000, which is designated for allocation or use by the Commission pursuant to subsections 3.4(2)(b)(i) or (ii) of the Act;

(s) Pursuant to clause 10 of subsection 127(1) of the Act, Driver, Axcess Automation, Axcess Fund Management, Axcess Fund shall jointly and severally disgorge to the Commission the amount of $3,116,013.18, which is designated for allocation or use by the Commission pursuant to subsections 3.4(2)(b)(i) or (ii) of the Act;

(t) Pursuant to clause 10 of subsection 127(1) of the Act, Taylor, Berkshire, 1303066, Montecassino, Driver, Axcess Automation, Axcess Fund Management and Axcess Fund shall jointly and severally disgorge to the Commission the amount of $1,576,098.03, which is designated for allocation or use by the Commission pursuant to subsections 3.4(2)(b)(i) or (ii) of the Act;

(u) Pursuant to clause 10 of subsection 127(1) of the Act, Reynold, WCC, Driver, Axcess Automation, Axcess Fund Management and Axcess Fund shall jointly and severally disgorge to the Commission the amount of $210,219.50, which is designated for allocation or use by the Commission pursuant to subsections 3.4(2)(b)(i) or (ii) of the Act;

(v) Pursuant to section 127.1 of the Act, Driver, Axcess Automation, Axcess Fund Management, Axcess Fund, Taylor, Berkshire, 1303066 and Montecassino shall jointly and severally pay costs in the amount of $199,686.87;

(w) Pursuant to section 127.1 of the Act, Reynold, WCC, Driver, Axcess Automation, Axcess Fund Management, Axcess Fund, Taylor, Berkshire, 1303066 and Montecassino shall jointly and severally pay costs in the amount of $2,500.

Dated at Toronto this 12th day of March, 2013.

"Christopher Portner"

"Paulette L. Kennedy"

3.1.2 Peter Sbaraglia – Rule 4.7(2) of the OSC Rules of Procedure

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

AND

IN THE MATTER OF
PETER SBARAGLIA

ORAL REASONS AND DECISION ON A MOTION TO QUASH A SUMMONS
(Rule 4.7(2) of the Ontario Securities Commission's
Rules of Procedure (2012), 35 O.S.C.B. 10009)

Hearing:	February 27, 2013		
Oral Ruling:	February 27, 2013		
Decision:	March 14, 2013		
Panel:	Alan J. Lenczner, QC	–	Commissioner
Counsel:	Matthew Gottlieb	–	For Robert Kofman, the Moving Party
	Kevin D. Toyne Richard Niman	–	For Peter Sbaraglia, the Respondent on the Motion
	Pamela Foy Catherine Weiler	–	For Staff of the Ontario Securities Commission

The following text has been prepared for purposes of publication in the Ontario Securities Commission Bulletin and is based on excerpts of the transcript of the hearing. The excerpts have been edited and supplemented and the text has been approved by the Panel for the purpose of providing a public record of the decision.

ORAL REASONS AND DECISION ON A MOTION TO QUASH A SUMMONS

[1] Robert Kofman ("**Kofman**") of Duff & Phelps Canada Restructuring Inc. ("**D&P**" or the "**Receiver**") moves to quash a summons which was issued by the Ontario Securities Commission (the "**Commission**") and served on him by Peter Sbaraglia ("**Sbaraglia**") on January 17, 2013 (the "**Summons**"). In March 2010, the Ontario Superior Court of Justice (the "**Court**") appointed D&P as the Receiver over the assets, property and undertaking of the late Robert Mander ("**Mander**"), his company, E.M.B. Asset Group Inc. ("**EMB**") and related companies (the "**Mander Receivership**"). In December 2010, on the application of Enforcement Staff of the Commission ("**Staff**"), D&P was also appointed the Receiver over the assets, property and undertaking of Sbaraglia, his wife and their companies (the "**Sbaraglia Receivership**").

[2] In a Statement of Allegations filed on February 24, 2011, Staff alleged that Mander, through EMB, operated a fraudulent Ponzi scheme ("**Mander's Ponzi Scheme**"), and that Sbaraglia, through his company, C.O. Capital Growth Inc. ("**CO**"), participated in Mander's Ponzi Scheme in a manner which he knew or ought reasonably to have known perpetrated a fraud on investors contrary to s. 126.1(b) of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "**Act**") and contrary to the public interest. Staff also alleges that Sbaraglia made statements to Staff, during the course of its investigation, that were materially misleading or untrue and/or failed to state facts which were required to be stated, contrary to subsection 122(1)(a) of the Act and contrary to the public interest.

[3] The Summons requires Kofman to attend to give evidence at the hearing on the merits in this matter, which is scheduled to begin on March 18, 2013, and requires Kofman to bring with him and produce at the hearing the documents and things set out in Appendix "A" to the Summons. The Summons asks for documents in various categories and quite broadly, including copies of all documents relevant to the Statement of Allegations, all documents provided by 15 named individuals, all notes taken during interviews with the named individuals, all recordings of any interviews, and all documents provided to the Commission. Sbaraglia submits that these documents may be relevant to the allegations against him and may assist him in making full answer and defence.

[4] Kofman moves to quash the Summons on three bases: (1) on the basis of *res judicata* or issue estoppel, and, as a subsidiary point, abuse of process; (2) on the basis of the non-compellability of the Receiver to produce documents in a

proceeding outside the receivership; and (3) on the basis that the documents are not likely to be relevant to the allegations contained in the Statement of Allegations (the "**Motion**").

[5] Having considered the matter, I am granting the Motion on the basis of grounds (2) and (3). There is a long line of unbroken, consistent authority that a receiver cannot be compelled to produce documents for a proceeding outside of or unrelated to the receivership. The latest case in that long line is related to this Motion. It is the decision of the Court of Appeal in *SA Capital Growth Corp. v. Christine Brooks*, 2012 ONCA 681, 112 O.R. (3rd) 16, which incorporates a number of important elements as to why the Receiver is not compellable in these circumstances. I make particular reference to paragraphs 8, 9 and 10 of that decision:

> The reach of the phrase "interested person" was discussed and applied by Greer J. in *Battery Plus Inc. (Re)*, [2002] O.J. No. 261, 31 C.B.R. (4th) 196 (S.C.J.), where "interested person" was held to include parties who have a direct interest in the subject matter of the receivership itself but to exclude parties who seek production of documents that do not "relate to a specific purpose" concerning the receivership itself. This approach is in line with the case law that states that receivers are not subject to cross-examination on their reports except in exceptional or unusual circumstances: see *Bell Canada International Inc. (Re)*, [2003] O.J. No. 4738, 126 A.C.W.S. (3d) 790 (S.C.J.); *Impact Tool & Mould Inc. (Re)*, [2007] O.J. No. 5492, 41 C.B.R. (5th) 112 (S.C.J.), affd [2008] O.J. No. 962, 41 C.B.R. (5th) 1 (C.A.), leave to appeal to S.C.C. refused [2008] S.C.C.A. No. 220; and *Anvil Range Mining Corp. (Re)*, [2001] O.J. No. 1125, 21 C.B.R. (4th) 194 (S.C.J.). It is also consistent with bankruptcy case law that establishes that a court officer (trustee in bankruptcy) will not be compelled to produce documents created and obtained as part of its duties in one proceeding for a collateral purpose; see, for example, *Impact Tool & Mould Inc. (Estate Trustee of) v. Impact Tool & Mould Inc. (Interim Receiver of)* (2006), 79 O.R. (3d) 241, [2006] O.J. No. 958 (C.A.); *GMAC Commercial Credit Corp.-- Canada v. TCT Logistics Inc.*, [2002] O.J. No. 4210, 37 C.B.R. (4th) 267 (S.C.J.).
>
> The OSC proceedings are clearly separate and distinct from the receivership. The appellant does not seek production for the purpose of advancing any legal claim or interest in the receivership, but rather for a purpose collateral to the receivership, namely, his defence before the OSC. Accordingly, in our view, the appellant is not an interested person as his request was made for a purpose collateral to the receivership proceeding.
>
> We agree with the receiver's submission that to recognize a right to require the receiver to produce material for purposes collateral to the receivership could lead to serious mischief. A court-appointed receiver is an officer of the court, not a regular litigant. Officers of the court should be left to perform their functions and duties without the distraction, added cost and potential chilling effect on their investigations that could result from permitting open-ended access to the fruits of their investigation.

[6] There is a rationale for the determinative elements that I've just read into the record, and I say, on my own behalf, that each one of those elements applies to these particular circumstances.

[7] On the next point, I recognize the right of a respondent, in a section 127 hearing before the Commission, to be able to make full answer and defence, and to have the necessary production and disclosure sufficient to make that right meaningful; but the required disclosure and production must be tied and linked to the allegations levelled against him.

[8] In this case the respondent has received 55 volumes of disclosure encompassing loan agreements, banking documents and other original documents relating to the specific factual allegations that are in paragraphs 9 to 11 and 14 to 20 of the Statement of Allegations.

[9] I am satisfied that Dr. Sbaraglia has received disclosure enabling him to fully respond to these allegations. What Dr. Sbaraglia now seeks are primarily interview notes from the Receiver which the Receiver himself describes as follows in his Thirteenth Report, at paragraph 3.1(d) of that Report:

> The primary purpose of the interviews was to gather background information regarding the Mander Debtors. However, a majority of the information obtained from the individuals was highly speculative, unsupported and anecdotal; much of it related to the stories woven by Mander to justify his investment techniques and the whereabouts of investor monies. Accordingly, in preparing its reports to the court, the Receiver relied on the financial information that it analyzed.

[10] The financial information that is relevant has also been provided to Dr. Sbaraglia.

[11] I refer to paragraph 3.1(e) of the Receiver's Thirteenth Report in which he says:

> Over the course of carrying out its mandate, the Receiver generated various notes and internal memoranda regarding the interviews, which were created solely for its internal purposes and were not intended to be relied upon by other parties. The notes were not reviewed by the individuals. The notes prepared were not intended to be a verbatim transcript of what was said by the individuals, and the Receiver cannot confirm that the notes are an accurate or complete review of all that was discussed. The Receiver cannot confirm that its notes summarize all of the discussions that the Receiver had with the individuals. The notes were only meant to be used by the Receiver for its purposes in the context of the discussions that were had with the respective individuals.

[12] Dr. Sbaraglia states that these notes might lead to other avenues of inquiry or might provide some corroboration for his own evidence.

[13] In my view, such statements do not meet the material requirement of "likely relevant" under the test set out in *R. v. O'Connor*, [1995] 4 S.C.R. 411. I can do no better than relate what Justice Pattillo said when he made a review of Dr. Sbaraglia's claim for these notes in his decision, *SA Capital Corp. v. Christine Brook*s 2012 ONSC 2800, 110 O.R. (3d) 765, at paragraphs 47-50:

> In my view, Sbaraglia has not established, based on the allegations in the OSC's Notice of Hearing and the evidence or lack thereof before me, that the information or documents provided to the Receiver by the 11 individuals who were former partners, associates, employees or clients of Mander is likely relevant to his defence to the OSC allegations. Sbaraglia has not established that the information requested is either logically probative to an issue before the OSC or relates to the credibility of a witness or the reliability of other evidence in the case.
>
> First, and given that the Receiver has had no communication with either of Walton and Fluke, there is no evidence that there is any record in the hands of the Receiver concerning them that is likely relevant to Sbaraglia's due diligence defence.
>
> Of the nine individuals remaining, there is no evidence that any of them have refused to speak to Sbaraglia or his counsel about their dealings with the Receiver or to provide copies of the documents they provided to the Receiver, if any. In fact, [the] Sbaraglia affidavit indicates that in the case of three of the individuals, Zurini, Auriemma and Ward, either he or his wife spoke with them after they met with the Receiver. Sbaraglia has listed the nine individuals specifically and the Receiver has confirmed that it had discussions with them. Any information or documents given to the Receiver that Sbaraglia now seeks to obtain came from the individuals and one would have thought they would be first persons to speak to about it. It is no answer, in my view, to say that the discussions with the Receiver took place a long time ago and the Receiver's record is therefore the best evidence when no attempt whatsoever has been made to speak with these individuals in the first instance.
>
> Further, some of the individuals have been cross-examined at length by Sbaraglia's counsel in the CO Group receivership application. No explanation has been provided by Sbaraglia as to why the information obtained from that proceeding about individuals' relationship with Mander and Sbaraglia is not sufficient. In fact, it was not mentioned at all by Sbaraglia in his affidavit.

[14] I echo what Justice Pattillo has said and I come to the same determination.

[15] For these reasons, the Motion to quash is granted. I thank counsel.

[16] An Order will issue accordingly.

DATED at Toronto this 14th day of March, 2013.

"Alan Lenczner"

3.1.3 2196768 Ontario Ltd et al.

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

AND

IN THE MATTER OF
2196768 ONTARIO LTD carrying on business as
RARE INVESTMENTS, RAMADHAR DOOKHIE,
ADIL SUNDERJI and EVGUENI TODOROV

SETTLEMENT AGREEMENT
BETWEEN STAFF AND ADIL SUNDERJI

PART I – INTRODUCTION

1. By Notice of Hearing dated November 22, 2011, the Ontario Securities Commission (the "Commission") announced that it proposed to hold a hearing, pursuant to sections 127 and 127.1 of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "Act"), to consider whether it is in the public interest to make orders, as specified therein, against 2196768 Ontario Ltd. ("2196768 Ltd.") carrying on business as RARE Investments ("RARE"), Ramadhar Dookhie ("Dookhie"), Adil Sunderji ("Sunderji") and Evgueni Todorov ("Todorov"). The Notice of Hearing was issued in connection with the allegations as set out in the Statement of Allegations of Staff of the Commission ("Staff") dated November 22, 2011.

2. The Commission will issue a Notice of Hearing to announce that it will hold a hearing to consider whether, pursuant to section 127 of the Act, it is in the public interest for the Commission to approve this Settlement Agreement and to make certain orders in respect of Sunderji.

PART II – JOINT SETTLEMENT RECOMMENDATION

3. Staff agree to recommend settlement of the proceeding initiated by the Notice of Hearing dated November 22, 2011 against Sunderji (the "Proceeding") in accordance with the terms and conditions set out below. Sunderji consents to the making of an order in the form attached as Schedule "A", based on the facts set out below.

PART III – AGREED FACTS

4. Sunderji agrees with the facts set out in this Part III. To the extent Sunderji does not have direct personal knowledge of certain facts as described below, Sunderji believes the facts to be true and accurate.

5. Staff and Sunderji agree that the facts and admissions set out in this Part III and in Part IV for the purpose of this settlement are without prejudice to Sunderji in any other proceedings of any kind including, but without limiting the generality of the foregoing, any other proceedings brought by the Commission under the Act (subject to paragraph 35 below) or any civil or other proceedings currently pending or which may be brought by any other person, corporation or agency (subject to paragraph 33 below).

Summary of Allegations

6. Staff allege that between January 2009 and March 2010 (the "Material Time"), RARE, Dookhie, Sunderji and Todorov, who were the directing minds of RARE (collectively the "Respondents"), raised approximately $1.15 million from 14 investors ("RARE investors") in Ontario for the purpose of trading in foreign currencies for profit ("forex trading").

7. Staff allege that RARE investors advanced funds to the Respondents, who issued promissory notes for investor loans and subsequently lost the money in forex trading or used the funds to repay previous debts unrelated to RARE, thereby engaging in unauthorized trading, illegal distribution of a security, and fraudulent conduct in breach of the Act, and conduct contrary to the public interest.

The Respondents

8. 2196768 Ltd was a private Ontario corporation, incorporated on January 30, 2009, which carried on business as RARE. Neither 2196768 Ltd or RARE have been registered with the Commission in any capacity. Dookhie, Sunderji and Todorov are all equal shareholders of RARE, although only Dookhie and Sunderji are identified as directors and officers of the company. Dookhie, Sunderji and Todorov were friends for many years before creating RARE.

9. During the Material Time, Dookhie worked as an accountant providing accounting services to individuals and small companies, and operated among other things a tax preparation business known as Liberty Tax Services ("Liberty Tax"). Dookhie was registered as a scholarship plan dealer with the Commission for the sole purpose of selling registered education scholarship plan investments. Dookhie did not invest any of his own money in RARE.

10. During the Material Time, Sunderji worked full time in a family business called Grey Tech Computers which sold computer hardware. Sunderji has never been registered with the Commission. Sunderji did not invest any of his own money in RARE.

11. During the Material Time, Todorov engaged in trading foreign exchange, chiefly for RARE. Todorov has never been registered with the Commission. Todorov did not invest any of his own money in RARE.

Obtaining Investor Funds

12. RARE investors were either clients of Dookhie's tax preparation business, Liberty Tax, introduced to RARE through other individuals who knew Dookhie or Todorov, or were investors who had previously invested money with Todorov, some through Dookhie. Sunderji did not introduce any investors to RARE though he was present at Dookhie's meetings with certain of them.

The Operation of RARE

Dookhie's Role

13. Dookhie oversaw the day to day operations of RARE from his business office. Dookhie incorporated RARE, opened bank accounts in RARE's name, deposited investor funds into those accounts, opened forex trading accounts in RARE's name with an online brokerage called ODL Securities ("ODL trading accounts"), and transferred funds between the bank accounts and the ODL trading accounts. Dookhie received the monthly bank account statements. Dookhie wrote cheques on the accounts, paid investors and created written materials promoting RARE. Dookhie is a director and the president of RARE. Dookhie met with all of the RARE investors.

Sunderji's Role

14. Sunderji attended at RARE's offices when asked to do so by Dookhie and spoke by telephone to Dookhie and/or Todorov concerning RARE on a regular basis. Sunderji is a director and is listed in incorporation documents as the treasurer of RARE, though he did not act as such. He was not a signatory to the RARE bank accounts set up by Dookhie in RARE's name into which investor funds were deposited. Sunderji's responsibilities were limited to overseeing Dookhie, and ensuring that investors funds were deposited and monthly interest cheques were written. Sunderji fulfilled his responsibilities by asking Dookhie what he had done. Sunderji made no inquiries beyond accepting Dookhie's representations, and did not examine RARE's bank records or the ODL trading accounts to verify what he was being told. On occasion, Sunderji met with investors.

15. Sunderji occasionally did trading in the ODL trading account, on the direction of Todorov. Other than those occasions, Sunderji did not use the ODL trading accounts and did not review them to see what was happening to investors' monies, although he had a right to do so. Sunderji did not know how the forex trading platform created by Todorov worked, and could not determine by looking at the ODL trading account statements whether the account held a net positive value.

Todorov's Role

16. Todorov was RARE's forex trader and strategist, and created the forex trading program used to trade investors' funds. Although only Dookhie and Sunderji were authorized to trade using the ODL trading account, in actual fact Todorov did the majority of trading during the Material Time. Todorov worked primarily from his home in Scarborough. Todorov attended at RARE's offices when asked to do so by Dookhie, and spoke by telephone with Dookhie and/or Sunderji concerning RARE on a regular basis. On occasion Todorov met with investors.

Fraudulent Conduct

17. During the Material Time, representations were made to investors that the RARE forex trading program created by Todorov would generate profits sufficient to pay interest of between 1% to 2% per month or 12% to 24% per year. Dookhie and/or Todorov showed some potential RARE investors the results of a virtual online forex test account to reinforce the representations that were made regarding the likely return on investments. Sunderji was aware of the representations which were made. No preliminary prospectus or prospectus was filed with regard to investment in RARE, no receipt was obtained from the Director and no exemption to the prospectus requirement existed.

18. Of the 14 promissory notes with RARE given to investors in 2009 in exchange for their initial investment, Dookhie signed all of them, Sunderji signed 11 and Todorov signed four.[1] The promissory notes made Dookhie, Sunderji and Todorov jointly and severally liable for each investment.

19. During the Material Time and without the knowledge or authorization of RARE investors, Dookhie used RARE funds to pay interest to individuals owed money by Dookhie and Todorov; Dookhie made interest free loans using RARE funds; Dookhie paid an individual a referral fee in excess of $8,000 using RARE funds; and Dookhie repaid an individual owed money by Todorov using RARE funds. Sunderji would have known of this misuse of investor funds if he had examined RARE's bank records.

20. On April 2, 2009, $16,000 was transferred from a RARE bank account to an account controlled by Sunderji. This represented payment to Sunderji of some of the profits of RARE.

21. On April 22, 2009 a trade was initiated by Todorov which, when subsequently closed, resulted in a loss of approximately $800,000. As a result, Dookhie became more involved in trading in the ODL trading accounts from approximately April 2009 onward.

22. RARE investors were not informed by Dookhie, Sunderji or Todorov of the loss and were led to believe that their investment was still secure.

23. On May 13, 2009, all positions in the ODL trading account were closed because of insufficient funds in the account, and further trading ceased except for attempts by Dookhie to recover losses, using his own funds.

24. On May 22, 2009, $10,000 was deposited by Sunderji back into the RARE account.

25. Beginning in February 2010 and continuing to June 2010, RARE investors with promissory notes were encouraged to 'rollover' their investment, at a lesser rate of interest. New promissory notes were issued, signed by Dookhie only. At the time they signed the new promissory notes, RARE investors were not made aware of the extent of the trading losses and that the ODL trading account had been closed.

26. Of the $1.15 million in loans received from the RARE investors in Ontario, approximately $228,000 was paid out to investors as interest payments or returned as partial or full payment of their investment, and $688,000 was lost through trading in forex.

PART IV – RESPONDENT'S POSITION

27. Sunderji provided Staff with an affidavit outlining his personal circumstances which was filed with the Commission, and which established that as a direct result of his involvement in RARE, Sunderji has experienced severe financial repercussions which has and will affect his ability to earn income and meet his family obligations for the foreseeable future. Sunderji has requested that the affidavit remain confidential as it contains information concerning his family. Staff supports that request.

28. In addition to his personal circumstances, Sunderji requests that the settlement hearing panel consider the following mitigating circumstances:

(a) Sunderji played a limited role in the transactions which led to the loss of investor monies;

(b) Sunderji takes responsibility for his actions and is remorseful; and

(c) By accepting responsibility, cooperating with Staff and foregoing a hearing, Commission time and resources will be saved.

29. Given the mitigating facts outlined in paragraphs 27 and 28 above, Staff agrees to the terms of settlement set out in paragraph 32 below. But for Sunderji's personal circumstances, and his limited role in the transactions, Staff would be seeking significant monetary sanctions for the conduct set out herein.

PART V – CONDUCT CONTRARY TO THE ACT AND CONTRARY TO THE PUBLIC INTEREST

30. Sunderji, by his conduct described above, traded in securities, namely investment contracts, without being registered to trade in such securities contrary to subsection 25(1) of the Act; distributed securities, namely investment contracts, contrary to subsection 53(1) of the Act; and engaged in acts, practices or courses of conduct which he knew or reasonably ought to have known perpetrated a fraud on persons contrary to section 126.1(b) of the Act.

[1] One investor loaned $200,000 to Todorov, on the understanding that Todorov would deposit it into RARE's forex trading account, which was done. That investor was given a promissory note signed by Todorov only.

31. Sunderji admits and acknowledges that he acted contrary to the public interest by contravening Ontario securities law as set out in paragraph 30 above.

PART VI – TERMS OF SETTLEMENT

32. Sunderji agrees to the terms of settlement below and to the Order attached hereto, made pursuant to subsection 127(1) and section 127.1 of the Act, to the effect that:

a) the Settlement Agreement is approved;

b) Sunderji will cooperate with Staff in its investigation including testifying as a witness for Staff in any proceedings commenced or continued by Staff or the Commission relating to the matters set out herein and meeting with Staff in advance of such proceedings and to prepare for such testimony;

c) Sunderji will be reprimanded, pursuant to paragraph 6 of subsection 127(1) of the Act;

d) trading in any securities by Sunderji shall cease for a period of seven (7) years from the date of the Order attached as Schedule "A", pursuant to clause 2 of subsection 127(1) of the Act;

e) acquisition of any securities by Sunderji is prohibited for a period of seven (7) years from the date of the Order attached as Schedule "A", pursuant to clause 2.1 of subsection 127(1) of the Act;

f) any exemptions contained in Ontario securities law do not apply to Sunderji for a period of seven (7) years from the date of Order attached as Schedule "A", pursuant to clause 3 of subsection 127(1) of the Act;

g) Sunderji shall resign all positions that he holds as a director or officer of any issuer, registrant or investment fund manager, pursuant to clauses 7, 8.1 and 8.3 of subsection 127(1) of the Act;

h) Sunderji is prohibited for a period of seven (7) years from the date of the Order attached as Schedule "A" from becoming or acting as a director or officer of any issuer, registrant, or investment fund manager, pursuant to clauses 8, 8.2 and 8.4 of subsection 127(1) of the Act;

i) Sunderji is prohibited for a period of seven (7) years from the date of the Order attached as Schedule "A" from becoming or acting as a registrant, as an investment fund manager or as a promoter, pursuant to clause 8.5 of subsection 127(1) of the Act;

j) Sunderji shall pay an administrative penalty in the amount of $5,000 for his failure to comply with Ontario securities law, pursuant to clause 9 of subsection 127(1) of the Act, to be designated for allocation or use by the Commission pursuant to subsections 3.4(2)(b)(i) or (ii) of the Act;

k) Sunderji shall disgorge to the Commission $6,000 obtained as a result of his non-compliance with Ontario securities law, pursuant to clause 10 of subsection 127(1), to be designated for allocation or use by the Commission pursuant to subsections 3.4(2)(b)(i) or (ii) of the Act;

l) Sunderji shall pay to the Commission costs of $5,000, pursuant to section 127.1 of the Act, to be designated for allocation or use by the Commission pursuant to subsection 3.4(2)(b)(i) or (ii) of the Act ;

m) after the payments set out in paragraphs (j), (k) and (l) above are made in full, as an exception to the provisions of paragraphs (d), (e) and (f), Sunderji will be permitted to trade in or acquire securities in his personal registered retirement savings plan ("RRSP") accounts and/or tax-free savings accounts ("TFSA") and/or for any registered education savings plan ("RESP") accounts for which he is the or a sponsor;

n) until the entire amount of the payments set out in paragraphs (j), (k) and (l) above are paid in full, the provisions of paragraphs (d), (e) and (f) above shall continue in force without any limitation as to time; and

o) Sunderji agrees to make a payment on account of the payment ordered in paragraph (k) above of $6,000 by certified cheque or bank draft within 30 days of the approval by the Commission of this Settlement Agreement.

33. Sunderji undertakes to consent to a regulatory Order made by any provincial or territorial securities regulatory authority in Canada containing any or all of the prohibitions set out in subparagraphs 25 (c) to (i) above. These prohibitions and orders may be modified to reflect the provisions of the relevant provincial or territorial securities law.

PART VII – STAFF COMMITMENT

34. If this Settlement Agreement is approved by the Commission, Staff will not initiate any other proceeding under the Act against Sunderji in relation to the facts set out in Part III herein, subject to the provisions of paragraph 35 below.

35. If this Settlement Agreement is approved by the Commission, and at any subsequent time Sunderji fails to comply with any of the terms of the Settlement Agreement, Staff may bring proceedings under Ontario securities law against Sunderji. These proceedings may be based on, but are not limited to, the facts set out in Part III of this Settlement Agreement as well as the breach of the Settlement Agreement. In addition, if this Settlement Agreement is approved by the Commission, and Sunderji fails to comply with the terms of the Settlement Agreement, the Commission is entitled to bring any proceedings necessary to recover the amounts set out in sub-paragraphs 25 (j), (k) and (l) above.

PART VIII – PROCEDURE FOR APPROVAL OF SETTLEMENT

36. Approval of this Settlement Agreement will be sought at a hearing of the Commission scheduled on a date to be determined by the Secretary to the Commission, or such other date as may be agreed to by Staff and Sunderji for the scheduling of the hearing to consider the Settlement Agreement.

37. Staff and Sunderji agree that this Settlement Agreement will constitute the entirety of the agreed facts to be submitted at the settlement hearing regarding Sunderji's conduct in this matter, unless the parties agree that further facts should be submitted at the settlement hearing.

38. If this Settlement Agreement is approved by the Commission, Sunderji agrees to waive all rights to a full hearing, judicial review or appeal of this matter under the Act.

39. If this Settlement Agreement is approved by the Commission, neither Staff nor Sunderji will make any public statement that is inconsistent with this Settlement Agreement or inconsistent with any additional agreed facts submitted at the settlement hearing.

40. Whether or not this Settlement Agreement is approved by the Commission, Sunderji agrees that he will not, in any proceeding, refer to or rely upon this Settlement Agreement or the settlement negotiations as the basis of any attack on the Commission's jurisdiction, alleged bias or appearance of bias, alleged unfairness or any other remedies or challenges that may otherwise be available.

PART IX – DISCLOSURE OF SETTLEMENT AGREEMENT

41. If, for any reason whatsoever, this Settlement Agreement is not approved by the Commission or the order attached as Schedule "A" is not made by the Commission:

(a) this Settlement Agreement and its terms, including all settlement negotiations between Staff and Sunderji leading up to its presentation at the settlement hearing, shall be without prejudice to Staff and Sunderji; and

(b) Staff and Sunderji shall be entitled to all available proceedings, remedies and challenges, including proceeding to a hearing on the merits of the allegations in the Notice of Hearing and Statement of Allegations of Staff, unaffected by the Settlement Agreement or the settlement discussions/negotiations.

42. The terms of this Settlement Agreement will be treated as confidential by all parties hereto until approved by the Commission. Any obligations of confidentiality shall terminate upon approval of this Settlement Agreement by the Commission. The terms of the Settlement Agreement will be treated as confidential forever if the Settlement Agreement is not approved for any reason whatsoever by the Commission, except with the written consent of Sunderji and Staff or as may be required by law.

PART X – EXECUTION OF SETTLEMENT AGREEMENT

43. This Settlement Agreement may be signed in one or more counterparts which together will constitute a binding agreement.

44. A facsimile copy or other electronic copy of any signature will be as effective as an original signature.

Dated this day of March, 2013.

Signed in the presence of:

"Witness"
Witness:

"Adil Sunderji"
Adil Sunderji

Dated this 13th day of March, 2013

"Tom Atkinson"
STAFF OF THE ONTARIO SECURITIES COMMISSION
per Tom Atkinson
Director, Enforcement Branch

Dated this "13th" day of March, 2013

SCHEDULE "A"

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

and

IN THE MATTER OF
2196768 ONTARIO LTD carrying on business as
RARE INVESTMENTS, RAMADHAR DOOKHIE,
ADIL SUNDERJI and EVGUENI TODOROV

IN THE MATTER OF
A SETTLEMENT AGREEMENT BETWEEN STAFF OF
THE ONTARIO SECURITIES COMMISSION AND
ADIL SUNDERJI

ORDER
(Section 127(1)

WHEREAS by Notice of Hearing dated November 22, 2011, the Ontario Securities Commission (the "Commission") announced that it proposed to hold a hearing, pursuant to sections 127 and 127.1 of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "Act"), to consider whether it is in the public interest to make orders, as specified therein, against 2196768 Ontario Ltd. ("2196768 Ltd.") carrying on business as RARE Investments ("RARE"), Ramadhar Dookhie ("Dookhie"), Adil Sunderji ("Sunderji") and Evgueni Todorov ("Todorov").

AND WHEREAS the Notice of Hearing was issued in connection with the allegations as set out in the Statement of Allegations of Staff of the Commission ("Staff") dated November 22, 2011.

AND WHEREAS Sunderji entered into a settlement agreement with Staff dated March 13, 2013 (the "Settlement Agreement") in which Sunderji agreed to a proposed settlement of the proceeding commenced by the Notice of Hearing dated November 22, 2011, subject to the approval of the Commission;

WHEREAS on March 13, 2013, the Commission issued a Notice of Hearing pursuant to section 127 of the Act to announce that it proposed to hold a hearing to consider whether it is in the public interest to approve a settlement agreement entered into between Staff and Sunderji;

AND UPON reviewing the Settlement Agreement, the Notice of Hearing, and the Statement of Allegations of Staff, and upon hearing submissions from counsel for Sunderji and from Staff;

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

IT IS HEREBY ORDERED THAT:

a) the Settlement Agreement is approved;

b) Sunderji will cooperate with Staff in its investigation including testifying as a witness for Staff in any proceedings commenced or continued by Staff or the Commission relating to the matters set out herein and meeting with Staff in advance of such proceedings and to prepare for such testimony;

c) pursuant to paragraph 6 of subsection 127(1) of the Act, Sunderji will be reprimanded;

d) pursuant to clause 2 of subsection 127(1) of the Act, trading in any securities by Sunderji shall cease for a period of seven (7) years from the date of the approval of the Settlement Agreement;

e) pursuant to clause 2.1 of subsection 127(1) of the Act, acquisition of any securities by Sunderji is prohibited for a period of seven (7) years from the date of the approval of the Settlement Agreement;

f) pursuant to clause 3 of subsection 127(1) of the Act, any exemptions contained in Ontario securities law do not apply to Sunderji for a period of seven (7) years from the date of the approval of the Settlement Agreement;

g) pursuant to clauses 7, 8.1 and 8.3 of subsection 127(1) of the Act, Sunderji shall resign all positions that he holds as a director or officer of any issuer, registrant or investment fund manager;

h) pursuant to clauses 8, 8.2 and 8.4 of subsection 127(1) of the Act, Sunderji is prohibited for a period of seven (7) years from the date of the approval of the Settlement Agreement from becoming or acting as a director or officer of any issuer, registrant, or investment fund manager;

i) pursuant to clause 8.5 of subsection 127(1) of the Act, Sunderji is prohibited for a period of seven (7) years from the date of the approval of the Settlement Agreement from becoming or acting as a registrant, as an investment fund manager or as a promoter;

j) pursuant to clause 9 of subsection 127(1) of the Act, Sunderji shall pay an administrative penalty in the amount of $5,000 for his failure to comply with Ontario securities law, to be designated for allocation or use by the Commission pursuant to subsections 3.4(2)(b)(i) or (ii) of the Act;

k) pursuant to clause 10 of subsection 127(1), Sunderji shall disgorge to the Commission $6,000 obtained as a result of his non-compliance with Ontario securities law, to be designated for allocation or use by the Commission pursuant to subsections 3.4(2)(b)(i) or (ii) of the Act;

l) pursuant to section 127.1 of the Act, Sunderji shall pay to the Commission costs of $5,000, to be designated for allocation or use by the Commission pursuant to subsections 3.4(2)(b)(i) or (ii) of the Act;

m) after the payments set out in paragraphs (j), (k) and (l) above are made in full, as an exception to the provisions of paragraphs (d), (e) and (f), Sunderji will be permitted to trade in or acquire securities in his personal registered retirement savings plan ("RRSP") accounts and/or tax-free savings accounts ("TFSA") and/or for any registered education savings plan ("RESP") accounts for which he is the or a sponsor;

n) until the entire amount of the payments set out in paragraphs (j), (k) and (l) above are paid in full, the provisions of paragraphs (d), (e) and (f) above shall continue in force without any limitation as to time; and

o) Sunderji agrees to make a payment on account of the payment ordered in paragraph (k) above of $6,000 by certified cheque or bank draft within 30 days of the approval by the Commission of this Settlement Agreement.

DATED at Toronto this _____ day of March, 2013.

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Chapter 4

Cease Trading Orders

4.1.1 Temporary, Permanent & Rescinding Issuer Cease Trading Orders

Company Name	Date of Temporary Order	Date of Hearing	Date of Permanent Order	Date of Lapse/Revoke
Meritus Minerals Ltd.	13 Mar 13	25 Mar 13		
C International Income Fund	06 Mar 13	18 Mar 13	18 Mar 13	
Cinram International Limited Partnership	06 Mar 13	18 Mar 13	18 Mar 13	

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.

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Chapter 7

Insider Reporting

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

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

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

Chapter 8

Notice of Exempt Financings

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

Transaction Date	No. of Purchasers	Issuer/Security	Total Purchase Price ($)	No. of Securities Distributed
06/14/2012 to 11/29/2012	1	1525104 Alberta Ltd. - Debenture	250,000.00	1.00
01/31/2013	10	1598372 Alberta Ltd. c/o KV Capital Inc. - Mortgage	4,000,000.00	4,000,000.00
02/18/2013	1	658318 N.B. Limited - Preferred Shares	150,000.00	10,000.00
02/22/2013	3	Acheson Commercial Corner LP - Units	170,000.00	34.00
01/01/2012 to 12/31/2012	1	AlphaMetrix LLC - Common Shares	116,240,575.00	N/A
02/21/2013	5	Amorfix Life Sciences Ltd. - Investment Trust Interests	200,000.00	5.00
02/27/2013	3	Arcestra Inc. - Preferred Shares	3,000,003.83	9,084,589.00
02/20/2013	7	Arrow Electronics, Inc. - Notes	15,146,950.45	7.00
02/25/2013	1	Asher Resources Corporation - Common Shares	13,500.00	50,000.00
03/05/2013	6	Avivagen Inc. formerly Chemaphor Inc. - Common Shares	691,500.11	9,878,573.00
02/22/2013	1	Barclays Bank PLC - Notes	51,190.00	50.00
01/03/2012 to 12/03/2012	3	Baring Canadian Investment Trust - Focused International Plus Fund - Units	29,060,576.47	N/A
10/04/2012	1	Baring Canadian Investment Trust - World Equity Fund - Units	43,029,950.41	430,299.50
02/21/2013	3	Bellhaven Copper & Gold Inc. - Units	1,799,999.90	15,652,173.00
03/01/2012 to 12/01/2012	49	Blair Franklin Global Credit Fund LP - Units	97,311,124.66	96,711.12
01/01/2012 to 12/01/2012	22	Blair Franklin Global Rates Fund - Units	43,472,861.00	43,473.00
01/14/2013	29	Bombardier Inc. - Notes	1,968,000,000.00	29.00
03/31/2012 to 05/31/2012	2	Braven Howard Asia Fund Limited - Units	259,362,256.25	N/A
03/31/2012 to 12/31/2012	1	Brevan Howard Fund Limited - Units	7,490,168.27	N/A
04/20/2012 to 10/31/2012	2	Brevan Howard Multi-Strategy Fund Limited - Units	74,570,266.91	N/A
02/25/2013	2	Canadian International Minerals Inc. - Common Shares	20,000.00	1,000,000.00

Transaction Date	No. of Purchasers	Issuer/Security	Total Purchase Price ($)	No. of Securities Distributed
02/07/2013	4	Carnival Corporation - Notes	10,490,446.54	4.00
03/01/2013	26	Carta Solutions Holdings Corporation - Units	7,001,000.00	7,001,000.00
08/01/2012	1	Cedar Rock Capital Fund PLC - Common Shares	1,004,874.88	3,759.73
02/12/2013	2	Celmatix Inc. - Preferred Shares	729,861.28	1,299,955.00
02/22/2013	39	CHC Student Housing Limited Partnership - Limited Partnership Units	16,323,743.00	16,323.74
01/01/2012 to 12/31/2012	8	CIBC Balanced Pool - Units	11,885,342.91	N/A
01/01/2012 to 12/31/2012	3	CIBC Canadian Bond 30 Year Duration Pool - Units	79,971,675.04	N/A
01/01/2012 to 12/31/2012	22	CIBC Canadian Bond Active Universe Pool - Units	77,499,960.31	N/A
01/01/2012 to 12/31/2012	8	CIBC Canadian Bond Long Term Index Pool - Units	283,457,599.64	N/A
01/01/2012 to 12/31/2012	16	CIBC Canadian Bond Universe Index Pool - Units	180,251,049.32	N/A
01/01/2012 to 12/31/2012	4	CIBC Canadian Corporate Investment Grade Pool - Units	57,890,130.11	N/A
01/01/2012 to 12/31/2012	17	CIBC Canadian Equity All Cap Value Pool - Units	2,801,406.67	N/A
01/01/2012 to 12/31/2012	4	CIBC Canadian Equity Large Cap Dividend Value Pool - Units	26,682,232.86	N/A
01/01/2012 to 12/31/2012	9	CIBC Canadian Equity Small Cap Fund - Units	522,435.81	N/A
01/01/2012 to 12/31/2012	7	CIBC Canadian Equity S&P/TSX Index Pool - Units	15,700,388.13	N/A
01/01/2012 to 12/31/2012	24	CIBC Canadian Money Market Pool - Units	39,812,378.87	N/A
01/01/2012 to 12/31/2012	5	CIBC EAFE Equity Pool - Units	283,238.01	N/A
01/01/2012 to 12/31/2012	1	CIBC Global Balanced Pool - Units	5,554,492.40	N/A
01/01/2012 to 12/31/2012	3	CIBC Global Equity Growth Pool - Units	106,410,106.62	N/A
01/01/2012 to 12/31/2012	7	CIBC International Equity Index Pool - Units	5,782,216.37	N/A
01/01/2012 to 12/31/2012	9	CIBC US Equity All Cap Growth Pool - Units	14,766,601.33	N/A
01/01/2012 to 12/31/2012	9	CIBC US Equity Value Pool - Units	15,307,325.47	N/A
01/01/2012 to 12/31/2012	8	CIBC U.S. Equity S&P 500 Enhanced Index Pool - Units	2,144,400.61	N/A

Transaction Date	No. of Purchasers	Issuer/Security	Total Purchase Price ($)	No. of Securities Distributed
01/01/2012 to 12/31/2012	19	CIBC U.S. Equity S&P 500 Index Pool - Units	58,370,160.91	N/A
03/05/2013	5	Clearview Resources Ltd. - Common Shares	654,357.00	110,654.00
03/05/2013	3	Clearview Resources Ltd. - Common Shares	614,004.00	110,654.00
02/28/2013	15	Cliffmont Resources Ltd. - Units	768,174.40	2,192,784.00
02/06/2013 to 03/04/2013	6	CNSX Markets Inc. - Common Shares	1,428,460.00	6.00
03/01/2013	2	DC Devices, Inc. - Preferred Shares	2,057,000.47	6,533,001.00
01/14/2013	3	DealNet Capital Corp. - Debentures	192,000.00	192.00
03/01/2013	8	DealNet Capital Corp. - Debentures	155,000.00	155.00
02/07/2013	25	Diagnos Inc. - Common Shares	1,400,000.00	14,000,000.00
03/06/2013	114	Dunav Resources Ltd. - Units	16,822,950.00	56,076,500.00
02/19/2013	2	First Reliance Asset Management Inc. - Common Shares	323,000.00	3,230,000.00
02/20/2013	20	Flextronics International Ltd. - Notes	32,521,600.00	500.00
02/26/2013	1	Forestar Group Inc. - Note	257,000.00	1.00
02/28/2013	1	Gold Royalties Corporation - Common Shares	275,000.00	352,565.00
12/21/2012	16	Graniz Mondal Inc. - Units	342,600.00	2,855,000.00
01/14/2013	1	Greybrook Ordnance Limited Partnership - Units	1,002,500.00	11,264.00
03/07/2013	1	GTA Resources and Mining Inc. - Common Shares	30,000.00	200,000.00
01/03/2012 to 12/21/2012	17	Highstreet Balanced Fund - Units	1,733,861.82	1,024,579.00
01/05/2012 to 12/27/2012	26	Highstreet Canadian Bond Fund - Units	9,477,372.95	841,644.00
01/05/2012 to 12/21/2012	59	Highstreet Canadian Equity Fund - Units	18,288,573.39	1,369,702.00
01/16/2012 to 12/20/2012	22	Highstreet Canadian Short Term Bond Fund - Units	11,923,927.29	1,188,991.00
01/12/0116 to 11/21/2012	11	Highstreet Canadian Growth Fund - Units	361,531.80	N/A
01/06/2012 to 12/19/2012	27	Highstreet Conservative Balanced Fund - Units	6,019,908.02	589,386.00
01/16/2012 to 12/20/2012	30	Highstreet Dividend Income Fund (formerly, Highstreet Canadian Small Cap Fund) - Units	15,457,287.24	N/A
08/30/2012	2	Highstreet Focused Canadian Equity Fund - Units	1,000,000.00	N/A
03/26/2012 to 12/19/2012	13	Highstreet Global Equity Fund - Units	17,679,013.44	1,812,018.59

Transaction Date	No. of Purchasers	Issuer/Security	Total Purchase Price ($)	No. of Securities Distributed
01/06/2012 to 12/17/2012	7	Highstreet International Equity Fund A - Units	1,237,463.12	186,950.00
01/03/2012 to 12/19/2012	43	Highstreet Money Market Fund - Units	26,143,641.75	N/A
01/06/2012 to 12/17/2012	32	Highstreet U.S. Equity Fund - Units	5,736,715.99	677,164.00
11/16/2012 to 12/07/2012	21	HPC Energy Services Ltd. - Common Shares	9,619,999.00	9,619,999.00
01/01/2012 to 12/31/2012	51	I3 Canadian Alternative Strategy Fund - Units	22,131,905.64	2,244,628.99
01/01/2012 to 12/31/2012	119	I3 Canadian Equity Fund - Units	28,576,105.03	2,853,571.07
01/01/2012 to 12/31/2012	146	I3 Fixed Income Fund - Units	75,911,364.82	7,577,371.81
01/01/2012 to 12/31/2012	279	I3 Global Equity Fund - Units	69,819,116.44	7,088,070.31
01/01/2012 to 12/31/2012	11	I3 Ultra Short Duration Fixed Income Fund - Units	7,234,254.91	723,425.49
02/28/2013	18	Integral Urgent Care Alpha, LLC - Units	1,252,452.00	244.00
02/28/2013	18	Integral Urgent Care Beta, LLC - Units	1,252,452.00	18.00
02/21/2013	76	Iona Energy Inc. - Common Shares	23,000,230.00	41,818,600.00
10/31/2012 to 11/19/2012	23	Kestrel Gold Inc. - Units	365,000.00	3,650,000.00
02/12/2013	6	Key Gold Holding Inc. - Common Shares	271,496.05	5,429,921.00
02/27/2013 to 03/04/2013	16	Legend Power Systems Inc. - Common Shares	593,550.02	8,479,286.00
03/04/2013	29	LeoNovus Inc. - Units	1,480,450.00	9,869,666.00
02/20/2013	3	Limoneira Company - Common Shares	1,505,604.00	80,000.00
02/22/2013	9	LiveQoS Inc. - Common Shares	1,047,211.50	2,094,423.00
02/25/2013	1	Luxus Vacation Properties Limited Partnership - Limited Partnership Units	126,000.00	6,000.00
02/07/2013	11	Lynx I Corp. and Lynx II Corp. - Notes	33,469,400.00	20,250.00
02/06/2013	1	MagnaChip Semiconductor Corporation - Common Shares	433,265.00	30,000.00
03/07/2013	1	Manufacturers and Traders Trust Company - Notes	10,295,056.00	10,000.00
02/26/2013	5	MGold Resources Inc. - Common Shares	50,500.00	1,010.00
02/26/2013	1	Michael Kors Holdings Limited - Common Shares	316,110.00	5,000.00
02/05/2013	1	Mint Technology Corp. - Units	125,000.00	1,000,000.00

Transaction Date	No. of Purchasers	Issuer/Security	Total Purchase Price ($)	No. of Securities Distributed
02/27/2013 to 03/04/2013	4	MM Realty Partners LT - Units	2,100,000.00	4.00
02/01/2012 to 12/01/2012	8	MMCAP Fund Inc. (amended) - Common Shares	3,585,396.95	N/A
02/25/2013	23	Morgan Stanley & Co. LLC - Notes	90,362,410.92	23.00
02/28/2013	9	Motorola Solutions, Inc. - Notes	11,050,291.59	9.00
11/27/2012	5	Murphy Oil Corporation - Notes	13,390,786.94	5.00
12/31/2012	1	Neuberger Berman High Income Fund LLC - Common Shares	17,609,730.00	N/A
02/04/2013 to 02/08/2013	3	NP Paribas Arbitrage Issuance B.V. - Certificates	104,782.53	99.00
02/16/2013	1	Obsidian Strategics Inc. - Unit	300,000.00	1.00
02/14/2013	2	Ocean Rig UDW Inc. - Common Shares	38,180,099.60	2,270,000.00
02/15/2013	2	One Earth Farms Corp. - Common Shares	7,250,000.00	7,250,000.00
02/28/2013	4	Open Access Limited - Notes	350,000.00	4.00
02/04/2013	9	Organic Potash Corporation - Debentures	300,000.00	30.00
02/07/2013	9	PacificOre Mining Corp. - Units	137,000.00	9.00
02/27/2013	4	Pensionfund Realty Limited - Bonds	130,000,000.00	130,000.00
01/01/2012 to 08/01/2012	2	Peregrine Investment Management Fund L.P. - Units	120,000.00	42.39
02/01/2012 to 05/01/2012	5	Periscope Fund LP - Units	2,550,000.00	N/A
12/31/2012	2	Pershing Square Holdings Ltd. - Units	2,990,602.44	N/A
01/01/2012	1	Pershing Square International Ltd. - Units	994,400.00	N/A
02/22/2013	127	Petro Vista Energy Corp. - Units	7,800,642.31	213,333,335.00
01/28/2013	26	Pioneering Technology Corp. - Units	750,000.00	7,500,000.00
03/01/2013	1	PowerStream Inc. - Debenture	2,708,746.00	1.00
02/28/2013	1	Premier Royalty Inc. - Common Shares	800,000.00	387,096.00
02/28/2013	5	Pulis Registered Capital Inc. - Bonds	328,800.00	5.00
03/01/2012 to 12/03/2012	7	Pursuit High Income Fund - Units	850,069.23	75,037.77
03/08/2013	13	Real Time Radiology Inc. - Common Shares	870,058.85	671,782.00
02/15/2013	1	Rio Silver Inc. - Units	27,000.00	300,000.00
02/07/2013	1	ROI Capital/St.Regis (Canada) Inc. - Units	500,000.00	500,000.00
02/11/2013	32	Roxgold Inc. - Common Shares	10,481,249.90	14,973,214.00

Transaction Date	No. of Purchasers	Issuer/Security	Total Purchase Price ($)	No. of Securities Distributed
02/26/2013	36	Royal Bank of Canada - Non-Flow Through Units	16,000,000.00	160,000.00
02/25/2013	123	Royal Bank of Canada - Notes	2,668,900.00	26,000.00
03/07/2013	13	Royal Nickel Corporation - Flow-Through Shares	2,000,000.00	4,000,000.00
12/21/2012	17	Sage Gold Inc. - Units	312,050.00	4,442,664.00
02/25/2013	21	Santa Fe Metals Corporation - Units	473,760.06	6,713,001.00
03/27/2012 to 12/11/2012	1	Schroder Global Blend (Canada) Fund - Units	120,717,081.00	N/A
01/01/2012 to 12/31/2012	1	Sevenoake Opportunities Fund L.P. - Limited Partnership Units	35,000.00	35.00
03/11/2013	2	Shoal Point Energy Ltd. - Units	15,000.00	250,000.00
02/28/2013	79	Shoreline Energy Corp. - Common Shares	4,345,432.00	1,241,552.00
02/28/2013 to 03/01/2013	10	SIF Capital Canada Inc. - Debentures	303,000.00	303.00
01/01/2012 to 12/15/2012	12	Simcoe Partners L.P. - Limited Partnership Interest	4,258,172.00	N/A
02/20/2013	73	Skyline Apartment Real Estate Investment Trust - Units	6,194,123.25	467,481,000.00
12/03/2012	1	Slate U.S. Opportunity (No. 2) Realty Trust - Trust Units	496,400.00	50,000.00
02/28/2013	11	Southern Silver Exploration Corp. - Common Shares	383,000.00	7,660,000.00
02/21/2013	15	Spice Creek Communities LP - Limited Partnership Interest	3,268,539.00	3,268,538.00
02/22/2013	11	Spire Real Estate Limited Partnership - Limited Partnership Units	6,226,000.00	55,838.56
01/01/2012 to 12/31/2012	57	Sprott Absolute Return Income Fund - Units	3,821,981.24	N/A
01/01/2012 to 12/31/2012	69	Sprott Bull/Bear RSP Fund - Units	5,331,519.31	N/A
01/01/2012 to 12/31/2012	122	Sprott Flatiron Yield Trust - Units	12,543,929.83	N/A
01/01/2012 to 12/31/2012	3	Sprott Hedge Fund LP - Limited Partnership Units	893,247.92	N/A
01/01/2012 to 12/31/2012	117	Sprott Hedge Fund LP II - Units	33,165,932.00	N/A
01/01/2012 to 12/31/2012	20	Sprott Opportunities Hedge Fund LP - Units	2,924,331.44	N/A
01/01/2012 to 12/31/2012	37	Sprott Opportunities RSP Fund - Units	1,228,706.25	N/A
01/01/2012 to 12/31/2012	1470	Sprott Private Credit Trust - Units	199,761,394.53	N/A

Transaction Date	No. of Purchasers	Issuer/Security	Total Purchase Price ($)	No. of Securities Distributed
01/01/2012 to 12/31/2012	10	Sprott Small Cap Hedge Fund - Units	545,393.53	N/A
03/04/2013 to 03/11/2013	7	Sterling Resources Ltd. - Common Shares	46,000,000.50	61,333,334.00
02/13/2013	34	Taipan Resources Inc. - Units	3,107,498.80	8,878,568.00
01/11/2013	3	Temex Resources Corp. - Common Shares	18,000.00	100,000.00
02/15/2013	2	Temporal Power Ltd. - Preferred Shares	10,000,000.00	13,799,810.00
02/25/2013	9	The Goodyear Tire & Rubber Company - Notes	28,377,592.50	9.00
02/21/2013	1	The Johns Hopkins University - Bond	1,018,500.00	1.00
01/17/2012 to 12/31/2012	43	The Pembroke Canadian Growth Fund - Units	11,949,747.71	1,125,860.30
01/03/2012 to 12/31/2012	112	The Pembroke Corporate Bond Fund - Units	21,305,541.63	1,738,710.70
01/03/2012 to 12/31/2012	113	The Pembroke Dividend Growth Fund - Units	12,047,214.60	1,131,877.15
01/31/2012 to 12/31/2012	35	The Pembroke Long Short Fund - Units	11,799,578.64	1,021,030.33
01/03/2012 to 12/31/2012	75	The Pembroke U.S. Growth Fund - Units	16,404,990.52	1,474,574.13
03/08/2013	4	The Toronto Dominion Bank - Notes	3,095,100.00	3,095.00
03/01/2013	1	The Toronto United Church Council - Notes	50,000.00	50,000.00
03/05/2013	3	Tirex Resources Ltd. - Common Shares	100,000.00	200,000.00
03/08/2013	47	Tonga Petroleum Corp. - Common Shares	2,304,822.00	3,073,096.00
04/13/2012	1	Trans-America Genetiques S.E.C. - Limited Partnership Units	10,000.00	5.00
02/14/2013	11	Trend Dealer Services Inc. - Notes	4,400,000.00	11.00
03/13/2013	9	Tribute Pharmaceuticals Canada Inc. - Units	282,508.50	687,500.00
02/26/2013	98	Triumph Group, Inc. - Notes	385,500,000.00	98.00
01/31/2012 to 12/31/2012	3	Triumph Aggressive Opportunities LP - Limited Partnership Units	889,347.79	889.35
01/31/2012 to 10/31/2012	62	Triumph Aggressive Opportunities Trust - Trust Units	525,020.16	62,624.31
02/29/2012 to 11/30/2012	40	Triumph Base Metals Advantage Fund - Trust Units	15,872,296.14	1,609,921.14
02/29/2012 to 12/31/2012	12	Triumph Capital Appreciation LP - Limited Partnership Units	5,244,139.00	5,223.58
01/31/2012 to 10/31/2012	56	Triumph Capital Appreciation Trust - Trust Units	2,089,980.46	272,551.10
02/12/2013	1	T.B. Properties LP - Limited Partnership Units	2,400,000.00	2,400.00

Transaction Date	No. of Purchasers	Issuer/Security	Total Purchase Price ($)	No. of Securities Distributed
01/28/2013 to 02/01/2013	25	UBS AG, Jersey Branch - Certificates	7,682,115.71	25.00
02/11/2013 to 02/15/2013	38	UBS AG, Jersey Branch - Certificates	42,116,452.53	38.00
02/19/2013 to 02/22/2013	38	UBS AG, Jersey Branch - Certificates	13,547,212.75	39.00
02/04/2013 to 02/08/2013	37	UBS AG, Jersey Branch - Certificates	20,658,983.99	37.00
02/12/2013 to 02/14/2013	3	UBS AG, Zurich - Certificates	764,215.37	3.00
02/18/2013 to 02/20/2013	2	UBS AG, Zurich - Certificates	662,326.27	2.00
02/01/2013	7	U.S. Coatings Acquisition Inc/Flash Dutch 2 B.V./U.S. Coating Acquisition Inc. - Notes	14,000,000.00	7.00
02/12/2013	3	Vector Group Ltd. - Notes	20,000,000.00	3.00
02/11/2013	1	Vodafone Group Public Limited Company - Notes	502,686.36	500.00
01/31/2013	21	Walton AZ Coolidge Landing Investment Corporation - Common Shares	581,630.00	58,163.00
02/28/2013	17	Walton AZ Coolidge Landing Investment Corporation - Common Shares	297,120.00	29,712.00
02/14/2013	15	Walton AZ Coolidge Landing Investment Corporation - Common Shares	270,800.00	15.00
01/31/2013	9	Walton AZ Coolidge Landing LP - Units	955,247.17	95,239.00
02/28/2013	10	Walton AZ Coolidge Landing LP - Units	571,941.86	10.00
01/31/2013	182	Walton CA Highland Falls Investment Corporation - Common Shares	4,554,320.00	1,821,728.00
02/28/2013	31	Walton CA Highland Falls Investment Corporation - Common Shares	873,760.00	21,844.00
03/14/2013	25	Walton CA Highland Falls Investment Corporation - Common Shares	629,440.00	25.00
01/31/2013	32	Walton CA Highland Falls LP - Units	3,384,347.68	134,969.00
02/28/2013	27	Walton Income 6 Investment Corporation - Common Shares	1,066,000.00	27.00
01/31/2013	33	Walton NC Concord Investment Corporation - Common Shares	710,610.00	71,061.00
01/31/2013	6	Walton NC Concord LP - Units	902,178.44	89,948.00
02/14/2013	6	Walton NC Concord LP - Units	378,942.13	6.00
01/31/2013	13	Walton NC Dutchman's Creek Investment Corporation - Common Shares	295,530.00	29,553.00
02/28/2013	11	Walton NC Dutchman's Creek Investment Corporation - Common Shares	284,780.00	28,478.00

Transaction Date	No. of Purchasers	Issuer/Security	Total Purchase Price ($)	No. of Securities Distributed
02/28/2013	5	Walton U.S. Dollar Income 2 Corporation - Bonds	466,602.50	5.00
02/14/2013	14	Walton U.S. Dollar Income 2 Corporation - Bonds	1,034,018.00	14.00
01/31/2013	32	Walton U.S. Dollar Income I Corporation - Bonds	517,367.48	515,820.00
02/22/2013	28	WellStar Energy Corp. - Common Shares	532,674.90	3,551,166.00
01/18/2012	1	WMP Canada Long Bond Plus - Units	62,831,908.41	5,518,153.97
10/04/2012 to 11/06/2012	1	WMP Canada Universe Bond Plus Portfolio - Units	25,004,736.99	2,461,005.08
03/05/2013	25	Wyatt Oil & Gas Inc. - Common Shares	7,239,449.48	24.00
02/22/2013	6	Wyndham Worldwide Corporation - Notes	22,460,533.06	6.00
06/26/2012 to 11/02/2012	41	Yonge-Abell Limited Partnership - Units	10,350,000.00	207.00

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Chapter 11

IPOs, New Issues and Secondary Financings

Issuer Name:
AGF Elements Yield Portfolio Class
Principal Regulator - Ontario
Type and Date:
Preliminary Prospectus dated March 13, 2013
NP 11-202 Receipt dated March 14, 2013
Offering Price and Description:
Mutual Fund Series, Series F, Series O, Series Q and Series V Securities
Underwriter(s) or Distributor(s):
AGF Funds Inc.
Promoter(s):
AGF INVESTMENTS INC.
Project #2027007

Issuer Name:
Antibe Therapeutics Inc.
Principal Regulator - Ontario
Type and Date:
Preliminary Long Form Prospectus dated March 11, 2013
NP 11-202 Receipt dated March 12, 2013
Offering Price and Description:
$3,000,000.00 - * Common Shares
Price: $ * per Common Share
Underwriter(s) or Distributor(s):
Burgeonvest Bick Securities Limited
Promoter(s):
-
Project #2025997

Issuer Name:
Artek Exploration Ltd.
Principal Regulator - Alberta
Type and Date:
Preliminary Short Form Prospectus dated March 15, 2013
NP 11-202 Receipt dated March 15, 2013
Offering Price and Description:
$30,015,000.00 - 8,700,000 Common Shares
Price: $3.45 per Common Share
and $9,030,000.00 - 2,150,000 Flow Through Shares
Price: $4.20 per Flow Through Share
Underwriter(s) or Distributor(s):
Cormark Securities Inc.
Peters & Co, Limited
National Bank Financial Inc.
Clarus Securities Inc.
Stifel Nicolaus Canada Inc.
GMP Securities L.P.
FirstEnergy Capital Corp.
Macquarie Capital Markets Canada Ltd.
Promoter(s):
-
Project #2027939

Issuer Name:
First Trust AlphaDEX TM Canadian Dividend Plus ETF
First Trust AlphaDEX TM Emerging Market Dividend ETF (CAD-Hedged)
First Trust AlphaDEX TM Global Energy Income Plus ETF (CAD-Hedged)
First Trust AlphaDEX TM U.S. Dividend Plus ETF (CAD-Hedged)
First Trust Senior Loan ETF (CAD-Hedged)
Principal Regulator - Ontario
Type and Date:
Preliminary Long Form Prospectus dated March 14, 2013
NP 11-202 Receipt dated March 15, 2013
Offering Price and Description:
Common Units and Advisors Class Units
Underwriter(s) or Distributor(s):
-
Promoter(s):
FT PORTFOLIOS CANADA CO.,
Project #2028038

Issuer Name:
Gulfstream Acquisition 1 Corp.
Principal Regulator - Ontario
Type and Date:
Amended and Restated Preliminary CPC Prospectus dated March 14, 2013
NP 11-202 Receipt dated March 15, 2013
Offering Price and Description:
$250,000.00 - 2,500,000 COMMON SHARES
Price: $0.10 per Common Share
Underwriter(s) or Distributor(s):
Canaccord Genuity Corp.
Promoter(s):
Charles Shin
Project #2010969

Issuer Name:
iShares All-Cap MSCI Emerging Markets Index ETF
iShares MSCI EAFE Index ETF
iShares S&P 500 Index ETF
Principal Regulator - Ontario
Type and Date:
Preliminary Long Form Prospectus dated March 13, 2013
NP 11-202 Receipt dated March 13, 2013
Offering Price and Description:
Units
Underwriter(s) or Distributor(s):
Blackrock Asset Management Canada Limited
BlackRock Asset Management Canada Limited
Promoter(s):
-
Project #2026766

Issuer Name:
Landry Morin Canadian Dividend Plus Fund
Landry Morin Canadian Momentum Fund
Landry Morin World Momentum Fund
Landry Morin U.S. Momentum Fund
Principal Regulator - Quebec
Type and Date:
Preliminary Simplified Prospectus dated March 7, 2013
NP 11-202 Receipt dated March 12, 2013
Offering Price and Description:
Classes A and F
Underwriter(s) or Distributor(s):
-
Promoter(s):
Landry Investment Management Inc.
Project #2022911

Issuer Name:
LEAGUE Financial Partners Inc.
Principal Regulator - British Columbia
Type and Date:
Preliminary Long Form Prospectus dated March 11, 2013
NP 11-202 Receipt dated March 12, 2013
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
-
Promoter(s):
League Assets Limited Partnership
Project #2026054

Issuer Name:
MacDonald, Dettwiler and Associates Ltd.
Principal Regulator - British Columbia
Type and Date:
Preliminary Short Form Prospectus dated March 13, 2013
NP 11-202 Receipt dated March 13, 2013
Offering Price and Description:
$250,187,000.00 - 3,605,000 Common Shares
$69.40 per Common Share
Underwriter(s) or Distributor(s):
RBC DOMINION SECURITIES INC.
BMO NESBITT BURNS INC.
TD SECURITIES INC.
NATIONAL BANK FINANCIAL INC.
CIBC WORLD MARKETS INC.
SCOTIA CAPITAL INC.
RAYMOND JAMES LTD.
CORMARK SECURITIES INC.
GMP SECURITIES L.P.
Promoter(s):
-
Project #2026827

Issuer Name:
Oryx Petroleum Corporation Limited
Principal Regulator - Alberta
Type and Date:
Preliminary Long Form Prospectus dated March 13, 2013
NP 11-202 Receipt dated March 14, 2013
Offering Price and Description:
C$ * - * Common Shares
Price: C$ * per Offered Share
Underwriter(s) or Distributor(s):
RBC Dominion Securities Inc.
Barclays Capital Canada Inc.
Merrill Lynch Canada Inc.
Promoter(s):
The Addax and Oryx Group Limited
Project #2027461

Issuer Name:
Starlight U.S. Multi-Family Core Fund
Principal Regulator - Ontario
Type and Date:
Amended and Restated Long Form Prospectus dated March 12, 2013
NP 11-202 Receipt dated March 13, 2013
Offering Price and Description:
Maximum: US$75,000,000.00lass A Units and/or Class U Units and/or Class I Units and/or Class F Units and/or Class C Units
Price: C$10.00 per Class A Unit, Class I Unit, Class C Unit, Class F Unit and Class U Unit
Underwriter(s) or Distributor(s):
CIBC World Markets Inc.
National Bank Financial Inc.
Raymond James Ltd.
Scotia Capital Inc.
GMP Securities L.P.
Macquarie Private Wealth Inc.
Canaccord Genuity Corp.
Desjardins Securities Inc.
Dundee Securities Ltd.
Promoter(s):
Starlight Investments Ltd.
Project #2018483

Issuer Name:
Superior Plus Corp.
Principal Regulator - Alberta
Type and Date:
Preliminary Short Form Prospectus dated March 13, 2013
NP 11-202 Receipt dated March 13, 2013
Offering Price and Description:
$125,097,000.0011,270,000 Common Shares
Price: $11.10 per Offered Share
Underwriter(s) or Distributor(s):
SCOTIA CAPITAL INC.
CIBC WORLD MARKETS INC.
NATIONAL BANK FINANCIAL INC.
BMO NESBITT BURNS INC.
TD SECURITIES INC.
CORMARK SECURITIES INC.
Promoter(s):
-
Project #2026861

Issuer Name:
Ucore Rare Metals Inc.
Principal Regulator - Nova Scotia
Type and Date:
Preliminary Short Form Prospectus dated March 15, 2013
NP 11-202 Receipt dated March 15, 2013
Offering Price and Description:
$ * - * Units
Price: $ * per Unit
Underwriter(s) or Distributor(s):
Byron Capital Markets Ltd.
Promoter(s):
-
Project #2027868

Issuer Name:
WesternOne Inc.
Principal Regulator - British Columbia
Type and Date:
Preliminary Short Form Prospectus ated March 18, 2013
NP 11-202 Receipt dated March 18, 2013
Offering Price and Description:
$45,000,000.00 - 45,000 6.25% Convertible Series 3 Unsecured Subordinated Debentures
Underwriter(s) or Distributor(s):
DUNDEE SECURITIES LTD.
SCOTIA CAPITAL INC.
CANACCORD GENUITY CORP.
NATIONAL BANK FINANCIAL INC.
HSBC SECURITIES (CANADA) INC.
MACQUARIE CAPITAL MARKETS CANADA LTD.
M PARTNERS INC.
SORA GROUP WEALTH ADVISORS INC.
Promoter(s):
-
Project #2028664

Issuer Name:
WPT Industrial Real Estate Investment Trust
Principal Regulator - Ontario
Type and Date:
Preliminary Long Form Prospectus dated March 15, 2013
NP 11-202 Receipt dated March 15, 2013
Offering Price and Description:
US$ * - * Units
Price: US$10.00 per Unit
Underwriter(s) or Distributor(s):
CIBC World Market Inc.
RBC Dominion Securities Inc.
BMO Nesbitt Burns Inc.
Scotia Capital Inc.
TD Securities Inc.
National Bank Financial Inc.
Canaccord Genuity Corp.
Raymond James Ltd.
Promoter(s):
Welsh Property Trust, LLC
Project #2027905

Issuer Name:
Brookfield Property Partners L.P.
Principal Regulator - Ontario
Type and Date:
Final Long Form Prospectus dated March 15, 2013
NP 11-202 Receipt dated March 18, 2013
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
-
Promoter(s):
Brookfield Property Partners L.P.
Project #2012670

Issuer Name:
Canadian Tire Corporation, Limited
Principal Regulator - Ontario
Type and Date:
Final Shelf Prospectus (NI 44-102) dated March 11, 2013
NP 11-202 Receipt dated March 12, 2013
Offering Price and Description:
$750,000,000.00 - Medium Term Notes (unsecured)
Underwriter(s) or Distributor(s):
BMO NESBITT BURNS INC.
CIBC WORLD MARKETS INC.
DESJARDINS SECURITIES INC.
HSBC SECURITIES (CANADA) INC.
NATIONAL BANK FINANCIAL INC.
RBC DOMINION SECURITIES INC.
SCOTIA CAPITAL INC.
TD SECURITIES INC.
Promoter(s):
-
Project #2023332

Issuer Name:
Capital Preservation Fund
Principal Regulator - Ontario
Type and Date:
Amended and Restated Simplified Prospectus and Annual Information Form dated March 6, 2013, amending and restating the Simplified Prospectus and Annual Information Form dated January 24, 2013
NP 11-202 Receipt dated March 13, 2013
Offering Price and Description:
Series A and F Units
Underwriter(s) or Distributor(s):
Global Prosperata Funds Inc.l
Promoter(s):
Global Growth Assets Inc.
Project #1908844

Issuer Name:
DiaMedica Inc.
Principal Regulator - Ontario
Type and Date:
Final Short Form Prospectus dated March 14, 2013
NP 11-202 Receipt dated March 15, 2013
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
Sora Group Wealth Advisors Inc.
Promoter(s):
-
Project #2018537

Issuer Name:
Difference Capital Funding Inc.
Principal Regulator - Ontario
Type and Date:
Final Short Form Prospectus dated March 11, 2013
NP 11-202 Receipt dated March 12, 2013
Offering Price and Description:
$13,433,749.00 - 39,810,696 Units Issuable on Exercise of Outstanding Special Warrants
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #2019798

Issuer Name:
Dynamic Dividend Advantage Class
Principal Regulator - Ontario
Type and Date:
Amendment #1 dated March 1, 2013 to Final Simplified Prospectus and Annual Information Form dated January 30, 2013
NP 11-202 Receipt dated March 12, 2013
Offering Price and Description:
Series A, F, I, O and T Shares
Underwriter(s) or Distributor(s):
GCIC Ltd.
GCIC Ltd.
Promoter(s):
GCIC Ltd.
Project #1997932

Issuer Name:
First Trust Raymond James Canadian Focus Picks Portfolio (formerly Raymond James Canadian Focus Picks Portfolio)
Principal Regulator - Ontario
Type and Date:
Simplified Prospectus dated February 28, 2013
NP 11-202 Receipt dated March 15, 2013
Offering Price and Description:
Series A and Series F Shares @ Net Asset Value
Underwriter(s) or Distributor(s):
-
Promoter(s):
FT PORTFOLIOS CANADA CO.
Project #2008172

Issuer Name:
Friday Capital Inc.
Principal Regulator - Ontario
Type and Date:
Final CPC Prospectus dated March 12, 2013
NP 11-202 Receipt dated March 13, 2013
Offering Price and Description:
Minimum $600,000.00 - 6,000,000 Common Shares
Maximum $800,000.00 - 8,000,000 Common Shares
Price: $0.10 per Common Share
Underwriter(s) or Distributor(s):
Macquarie Private Wealth Inc.
Promoter(s):
Michael Davidson
Project #1996537

Issuer Name:
Horizons Active Advantage Yield ETF (formerly known as Horizons Tactical Bond ETF)
Principal Regulator - Ontario
Type and Date:
Amendment #2 dated March 8, 2013 to Final Long Form Prospectus dated August 22, 2012
NP 11-202 Receipt dated March 15, 2013
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
-
Promoter(s):
AlphaPro Management Inc,
Project #1934294

Issuer Name:
Lazard Emerging Markets Multi-Strategy Fund
Principal Regulator - Ontario
Type and Date:
Amendment #1 dated March 6, 2013 to Final Simplified Prospectus February 21, 2013
NP 11-202 Receipt dated March 12, 2013
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
-
Promoter(s):
Brandes Investment Partners & Co.
Project #2012142

Issuer Name:
Marquest Mutual Funds Inc. - Canadian Flex Series Fund
Marquest Mutual Funds Inc. - Energy Series Fund
Marquest Mutual Funds Inc. - Explorer Series Fund
Marquest Mutual Funds Inc. - Flex Dividend and Income Growth Series Fund
Marquest Mutual Funds Inc. - Resource Flex Series Fund
Principal Regulator - Ontario
Type and Date:
Amended and Restated Simplified Prospectus and Annual Information Form dated March 1, 2013, amending and restating Simplified Prospectus and Annual Information Form dated December 28, 2012
NP 11-202 Receipt dated March 12, 2013
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
-
Promoter(s):
MARQUEST ASSET MANAGEMENT INC.
Project #1986082

Issuer Name:
NorthWest International Healthcare Properties Real Estate Investment Trust
Principal Regulator - Ontario
Type and Date:
Final Short Form Prospectus dated March 18, 2013
NP 11-202 Receipt dated March 18, 2013
Offering Price and Description:
$20,000,000.00 - 6.50% Convertible Unsecured Subordinated Debentures Price: $1,000 per Debenture
Underwriter(s) or Distributor(s):
NATIONAL BANK FINANCIAL INC.
GMP SECURITIES L.P.
CANACCORD GENUITY CORP.
SCOTIA CAPITAL INC.
DUNDEE SECURITIES LTD.
MACQUARIE CAPITAL MARKETS CANADA LTD.
ALL GROUP FINANCIAL SERVICES INC.
DESJARDINS SECURITIES INC.
Promoter(s):
-
Project #2025895

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Chapter 12

Registrations

12.1.1 Registrants

Type	Company	Category of Registration	Effective Date
Name Change	From: Merlin Canada Ltd. to: Wells Fargo Securities Canada, Ltd.	Investment Dealer	March 4, 2013
New Registration	Greenback Capital Management Inc.	Exempt Market Dealer	March 13, 2013
Voluntary Surrender of Registration	Adaly Investment Management Corp.	Investment Fund Manager, Exempt Market Dealer and Portfolio Manager	March 14, 2013
Change in Registration Category	Societe de Gestion C.F.G. Heward Ltee/C.F.G. Heward Investment Management Ltd.	From: Portfolio Manager and Exempt Market Dealer To: Portfolio Manager, Exempt Market Dealer and Investment Fund Manager	March 15, 2013
New Registration	Lowenberg Investment Counsel Inc.	Portfolio Manager Exempt Market Dealer	March 15, 2013
New Registration	Goldenwise Capital Management Ltd.	Commodity Trading Manager	March 19, 2013

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