

The Ontario Securities Commission

OSC Bulletin

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

The Ontario Securities Commission

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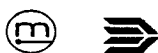


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TODAY'S OSC

Protects investors from unfair, improper or fraudulent practices.
Fosters fair, efficient capital markets in Ontario.
Creates confidence in the integrity of those markets.
Is pro-active, intelligently aggressive and innovative.

Today's OSC seeks exceptional individuals with the skills, energy and commitment necessary to play a leading role in Ontario's rapidly evolving capital markets.

Opportunities exist in the Corporate Finance Branch for:

LEGAL COUNSEL (2), CORPORATE FINANCE TEAM:

You will provide legal services and advice to the Branch and the Commission in all aspects of securities regulation arising in the context of distributions of securities. You will comment on offering documents, analyse applications for exemptive relief, respond to inquiries from the street, monitor compliance with Ontario securities laws, and participate in tribunal proceedings. You will also participate in various projects and policy initiatives which respond to emerging issues in the Ontario and Canadian capital markets.

LEGAL COUNSEL, CONTINUOUS DISCLOSURE TEAM:

You will provide legal services and advice to the Team and the Commission in all aspects of securities regulation related to continuous disclosure obligations of reporting issuers. You will primarily be responsible for review of continuous disclosure filings by reporting issuers to monitor compliance with Ontario securities laws and analysis of applications for exemptive relief. You will respond to inquiries from reporting issuers and their advisors, make recommendations on live issues and participate in tribunal proceedings. You will also participate in various projects and policy initiatives which respond to emerging continuous disclosure issues in the Ontario and Canadian capital markets.

You are a Member of the Law Society of Upper Canada with a minimum of two years' practice experience in securities law and have a comprehensive knowledge of securities and related legislation. You demonstrate excellent legal research, writing, analytical, negotiation and communication skills. Your ability to adapt to changes in law, industry, or regulatory requirements supplement your proven ability to do well as part of a team. You can work to meet established and emerging deadlines and prioritize competing work demands.

If you thrive in a responsive, performance based culture, and would like to work in the public interest, please submit your resume in confidence by May 26, 2000 to Human Resources, Ontario Securities Commission, Suite 1900, Box 55, 20 Queen Street West, Toronto, Ontario, M5H 3S8. You may also fax us at 416-593-8348 or send e-mail to HR@osc.gov.on.ca.

Ontario Securities Commission



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Chapter 1

Notices / News Releases

1.1 Notices

SCHEDULED OSC HEARINGS

1.1.1 Current Proceedings Before The Ontario Securities Commission

May 19, 2000

CURRENT PROCEEDINGS

BEFORE

ONTARIO SECURITIES COMMISSION

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

The Harry S. Bray Hearing Room
Ontario Securities Commission
Cadillac Fairview Tower
19th Floor, Box 55
20 Queen Street West
Toronto, Ontario
M5H 3S8

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

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THE COMMISSIONERS

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Howard Wetston, Q.C. Vice-Chair	—	HW
Kerry D. Adams, FCA	—	KDA
Stephen N. Adams, Q.C.	—	SNA
Derek Brown	—	DB
Morley P. Carscallen, FCA	—	MPC
Robert W. Davis	—	RWD
John F. (Jake) Howard, Q.C.	—	JFH
Robert W. Korthals	—	RWK
Mary Theresa McLeod	—	MTM
R. Stephen Paddon, Q.C	—	RSP

Date to be
announced

YBM Magnex International Inc., Harry W. Antes, Jacob G. Bogatin, Kenneth E. Davies, Igor Fisherman, Daniel E. Gatti, Frank S. Greenwald, R. Owen Mitchell, David R. Peterson, Michael D. Schmidt, Lawrence D. Wilder, Griffiths Mcburney & Partners, National Bank Financial Corp., (formerly known as First Marathon Securities Limited)

s. 127

Mr. I. Smith in attendance for staff.

Panel: HW / DB / MPC

Date to be
announced

Richard Thomas Slipetz

s. 127

Mr. T. Moseley in attendance for staff.

Panel: TBA

Hearing will take place at:

**Alcohol & Gaming Commission
of Ontario**

Atrium on Bay
20 Dundas Street West
7th Floor
Hearing Room "D"
Toronto, Ontario

Date to be announced **2950995 Canada Inc., 153114 Canada Inc., Robert Armstrong, Jack Austin, Suzanne Ayscough, Mary Bradley, Gustavo Candiani, Patricia Carson, Stephen Carson, Lucy Caterina, Micheline Charest, Mark Chernin, Alison Clarke, Susannah Cobbold, Marie-Josée Corbeil, Janet Delloso, François Deschamps, Marie-Louise Donald, Kelly Elwood, David Ferguson, Louis Fournier, Jean Gauvin, Jeffrey Gerstein, Benny Golan, Menachem Hafsari, Amir Halevy, Jerry Hargadon, Karen Hilderbrand, Jorn Jessen, Bruce J. Kaufman, Mohamed Hafiz Khan, Kathy Kelley, Phillip Kelley, Lori Evans Lama, Patricia Lavoie, Michael Légaré, Pierre H. Lessard, Carol Lobissier, Raymond McManus, Michael Mayberry, Sharon Mayberry, Peter Moss, Mark Neiss, Gideon Nimoy, Hasanain Panju, Andrew Porporino, Stephen F. Reitman, John Reynolds, Mario Ricci, Louise Sansregret, Cassandra Schafhausen, Andrew Tait, Lesley Taylor, Kim M. Thompson, Daniel Tierney, Barrie Usher, Ronald A. Weinberg, Lawrence P. Yelin and Kath Yelland**

s. 127
Ms. S. Oseni in attendance for staff.

Panel: TBA

Hearing will take place at:
**Alcohol & Gaming Commission
of Ontario**
Atrium on Bay
20 Dundas Street West
7th Floor
Hearing Room D
Toronto, Ontario

Jul 31/2000-
Aug18/2000
10:000 a.m.

Paul Tindall and David Singh
s. 127
Ms. M. Sopinka in attendance for staff.

Panel: TBA

ADJOURNED SINE DIE

DJL Capital Corp. and Dennis John Little

**Dual Capital Management Limited,
Warren Lawrence Wall, Shirley Joan Wall, DJL Capital Corp., Dennis John Little and Benjamin Emile Poirier**

Irvine James Dyck

M.C.J.C. Holdings Inc. and Michael Cowpland

Robert Thomislav Adzija, Larry Allen Ayres, David Arthur Bending, Marlene Berry, Douglas Cross, Allan Joseph Dorsey, Allan Eizenga, Guy Fangeat, Richard Jules Fangeat, Michael Hersey, George Edward Holmes, Todd Michael Johnston, Michael Thomas Peter Kennelly, John Douglas Kirby, Ernest Kiss, Arthur Krick, Frank Alan Latam, Brian Lawrence, Luke John Mcgee, Ron Masschaele, John Newman, Randall Novak, Normand Riopelle, Robert Louis Rizzuto, And Michael Vaughan

Date to be announced **Amalgamated Income Limited Partnership and 479660 B.C. Ltd.**

s. 127 & 127.1
Ms. J. Superina in attendance for staff.

Panel: TBA

Hearing will take place at:
**Alcohol & Gaming Commission
of Ontario**
Atrium on Bay
20 Dundas Street West
7th Floor
Toronto, Ontario

S. B. McLaughlin

PROVINCIAL DIVISION PROCEEDINGS

<p>Date to be announced</p>	<p>Michael Cowpland and M.C.J.C. Holdings Inc.</p> <p>s. 122 Ms. M. Sopinka in attendance for staff.</p> <p>Courtroom 122, Provincial Offences Court Old City Hall, Toronto</p>	<p>July 11/2000 July 18/2000 9:00 a.m.</p>	<p>Arnold Guettler, Neo-Form North America Corp. and Neo-Form Corporation</p> <p>s. 122(1)(c) Mr. D. Ferris in attendance for staff.</p> <p>Court Room No. 124, Provincial Offences Court Old City Hall, Toronto</p>
<p>June 5/2000 June 6/2000 June 7/2000 June 8/2000 June 9/2000 10:00 a.m.</p>	<p>Einar Bellfield</p> <p>s. 122 Ms. K. Manarin in attendance for staff.</p> <p>Courtroom A, Provincial Offences Court Old City Hall, Toronto</p>	<p>Oct 16/2000 - Dec 22/2000 10:00 a.m.</p>	<p>John Bernard Felderhof</p> <p>Mssrs. J. Naster and I. Smith for staff.</p> <p>Courtroom TBA, Provincial Offences Court Old City Hall, Toronto</p>
<p>June 6/2000 2:00 p.m. Pre-trial conference</p>	<p>Dual Capital Management Limited, Warren Lawrence Wall, Shirley Joan Wall</p> <p>s. 122 Ms. J. Superina in attendance for staff.</p> <p>Court Room No. 9 114 Worsley Street Barrie, Ontario</p>	<p>Dec 4/2000 Dec 5/2000 Dec 6/2000 Dec 7/2000 9:00 a.m. Courtroom N</p>	<p>1173219 Ontario Limited c.o.b. as TAC (The Alternate Choice), TAC International Limited, Douglas R. Walker, David C. Drennan, Steven Peck, Don Gutoski, Ray Ricks, Al Johnson and Gerald McLeod</p> <p>s. 122 Mr. D. Ferris in attendance for staff. Provincial Offences Court Old City Hall, Toronto</p>
<p>Oct 10/2000 - Nov 3/2000 Trial</p>	<p>Glen Harvey Harper</p> <p>s.122(1)(c) Mr. J. Naster in attendance for staff.</p> <p>Courtroom G, Provincial Offences Court Old City Hall, Toronto</p>	<p>Reference:</p>	<p>John Stevenson Secretary to the Ontario Securities Commission (416) 593-8145</p>
<p>June 20/2000 July 21/2000 9:00 a.m.</p>	<p>Glen Harvey Harper</p> <p>s.122(1)(c) Mr. J. Naster in attendance for staff.</p> <p>Courtroom G, Provincial Offences Court Old City Hall, Toronto</p>		

**1.1.2 OSC Staff Notice 33-713 - Registrant
Regulatory Filings**

**ONTARIO SECURITIES COMMISSION
STAFF NOTICE 33-713**

REGISTRANT REGULATORY FILINGS

Staff of the Ontario Securities Commission ("Staff") remind registrants of the regulatory filing requirements imposed on them pursuant to both the *Securities Act* (Ontario)(the "Act") and the Regulation made under the Act (the "Regulation"). For example, pursuant to section 21.10 of the Act and section 139 of the Regulation most non-SRO members must file annual audited financial statements and other regulatory filings prescribed by the regulations within ninety days after the end of their financial year. Most registrants must also maintain certain minimum capital and other regulatory requirements, as prescribed by sections 107 to 112 of the Regulation.

Staff have noted that non-SRO registrants are at times deficient in meeting their regulatory filing requirements. These deficiencies include failure to file audited financial statements, late filings of audited financial statements or filings with a qualified audit opinion or a capital deficiency reported.

Staff stress the importance of non-SRO registrants meeting their regulatory filing requirements on a timely and complete basis. Staff are treating regulatory filing deficiencies as a significant issue to be addressed as part of the Commission's objective to strengthen the Compliance-Enforcement continuum.

Consequences of deficient regulatory filings could include the imposition of terms and conditions on a non-SRO registrant or the suspension of registration. Some examples of possible terms and conditions that might be imposed on a non-SRO registrant are:

1. A requirement to file unaudited interim financial statements and capital calculation on a monthly basis.
2. An increase in the required minimum free capital to be maintained at all times.
3. A prohibition on the opening of any new branch/sub-branch offices, hiring/registering any new salespeople, opening of any new customer accounts or changing in any material respect the inventory positions of the registrant.

For further information, please contact:

Christina Forster
Senior Accountant
Compliance
(416) 593-8061

Elle Koor
Senior Accountant
Compliance
(416) 593-8077

Felicia Tedesco
Senior Accountant
Compliance
(416) 593-8273

Barbara Fydell
Legal Counsel
Market Regulation
(416) 593-8253

1.2 News Releases

1.2.1 Amalgamated Income Limited Partnership and 479660 B.C. Ltd.

May 11, 2000

AMALGAMATED INCOME LIMITED PARTNERSHIP AND 479660 B.C. LTD.

Toronto - On April 26, 2000 the Ontario Securities Commission (the "Commission") issued a Notice of Hearing and related Statement of Allegations against Amalgamated Income Limited Partnership ("Amalgamated") and 479660 B.C. Ltd. ("479660"). At a hearing of this matter held before the Commission on May 11, 2000, the Commission considered a proposed settlement of this proceeding. The Commission did not approve the proposed settlement, stating that the proposed sanctions were not proportionate to the offences. A further hearing on this matter will be scheduled at a later date.

Copies of the Notice of Hearing and Statement of Allegations are available at www.osc.gov.on.ca or from the Commission, 19th Floor, 20 Queen Street West, Toronto, Ontario.

References:

Frank Switzer
Manager, Corporate Relations
(416) 593-8120

Michael Watson
Director, Enforcement Branch
(416) 593-8128

1.2.2 OSC Takes Part in International Internet Surf Day

May 16th, 2000

OSC Takes Part in International Internet Surf Day

TORONTO - The Ontario Securities Commission announced today that it had conducted, in conjunction with other members of the International Organisation of Securities Commissions (IOSCO), an International Internet Surf Day on March 28, 2000, aimed at increasing investor protection and confidence in the integrity of capital markets.

The OSC was one of twenty-one securities regulators from eighteen countries around the world who co-ordinated their efforts to identify securities and futures fraud and abuse on the Internet. Regulators concentrated on fraudulent solicitation of investors, manipulation, the circulation of false or misleading information and insider trading.

During the surf day, over 220 staff members from the 21 participating authorities visited over 10,000 sites, totalling nearly 1,000 hours of global participation. Of these sites, approximately 1,000 were identified for follow-up review, including approximately 400 sites that involved cross border activity. That review is now underway and could result in enforcement action.

Colin McCann of the OSC's Enforcement Branch indicated that 5 staff members surveyed a total of 257 Web sites. From this, they identified a number of Web sites dealing primarily with possible unauthorized offerings of securities, several in connection with offshore banking and investment services. The majority of offerings appeared to overstate the potential earnings while giving little or no mention of risk or suitability.

"The Internet can be an invaluable tool for investors and offers a wealth of information about financial markets and personal investing," stated Mr. McCann. "However, investors who venture onto the World Wide Web should keep in mind that it is also being exploited by investment con-artists and fast-buck artists."

Commenting on the International Internet Surf Day, the President of the Technical Committee of IOSCO Michel Prada said: "Whilst the Internet brings new opportunities, it creates new risks as fraudsters take advantage of the low cost and speed that it provides. Investors must be mindful of those risks and regulators must be ready to act where necessary. In a global marketplace, effective enforcement requires co-operation among regulators around the world. This initiative demonstrates the determination of the international regulatory community to work together to address the challenges posed by new technology."

The Ontario Securities Commission urges investors to be alert to signs of fraud and to refer to the "Investor Alert" section on the OSC's Web site.

Investors can also consult the brochure *Investing and the Internet* on the OSC's Web site at <http://www.osc.gov.on.ca/en/Investor/Requiredreading/inves>

tinginternet.html and find out how to further protect themselves against online fraud.

References:

Jean-Pierre Maisonneuve
Corporate Communications Officer
Corporate Relations Branch
(416) 595-8913

Colin McCann
Investigator
Enforcement Branch
(416) 593-8285

Chapter 2

Decisions, Orders and Rulings

2.1 Decisions

2.1.1 Mikael Prydz - s. 127

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

AND

IN THE MATTER OF
MIKAEL PRYDZ

ORDER

WHEREAS on March 22, 2000, the Ontario Securities Commission issued a Notice of Hearing pursuant to section 127 of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "Act") in respect of Mikael Prydz ("Prydz");

AND WHEREAS a hearing of the allegations against Prydz was held on April 13, 2000;

IT IS ORDERED THAT:

1. pursuant to clause 2 of subsection 127(1) of the Act Prydz is prohibited from trading in securities for a period of ten years from February 8, 2005;
2. pursuant to clause 7 of subsection 127(1) of the Act Prydz shall resign all positions that he holds as a director or officer of an issuer as of the date of this Order;
3. pursuant to clause 8 of subsection 127(1) of the Act Prydz is prohibited from becoming or acting as a director or officer of any issuer during the period from the date of this Order until February 8, 2015; and
4. pursuant to clause 6 of subsection 127(1) of the Act Prydz is reprimanded.

May 11th, 2000.

"J. A. Geller"

"Theresa McLeod"

"J. F. Howard"

2.1.2 360networks inc. - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications - relief from prospectus requirements to an permit issuer and a selling shareholder to use the PREP Procedures under National Policy Statement No. 44 in connection with an initial public offering of securities of the issuer as neither the issuer nor its securities meet the eligibility criteria set out in National Policy Statement No. 44.

Applicable Ontario Statutory Provisions

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

Policies Cited

National Policy Statement No. 44.

IN THE MATTER OF THE SECURITIES LEGISLATION OF
BRITISH COLUMBIA, ALBERTA, SASKATCHEWAN,
MANITOBA, ONTARIO, QUEBEC, NEW BRUNSWICK,
NOVA SCOTIA, PRINCE EDWARD ISLAND AND
NEWFOUNDLAND

AND

IN THE MATTER OF THE
MUTUAL RELIANCE REVIEW SYSTEM
FOR EXEMPTIVE RELIEF APPLICATIONS

AND

IN THE MATTER OF *360networks inc.*

MRRS DECISION DOCUMENT

WHEREAS the Canadian securities regulatory authority or regulator (the "Decision Maker") in each of the provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland (the "Jurisdictions") has received an application from *360networks inc.* ("*360networks*"), formerly Worldwide Fiber Inc., for a decision under the securities legislation of the Jurisdictions (the "Legislation") exempting *360networks* and a certain shareholder of *360networks* (the "Selling Shareholder") from the requirement to file and obtain a receipt for a preliminary prospectus and prospectus (the "Prospectus Requirement") in order to permit the use by *360networks* and the Selling Shareholder of the PREP Procedures, as defined in National Policy Statement No. 44 ("NP 44"), and similar procedures (the "Quebec Procedures") under the legislation of Quebec (the "Quebec Regulation"), in

connection with *360networks'* proposed initial public offering of Subordinate Voting Shares;

AND WHEREAS under the Mutual Reliance Review System for Exemptive Relief Applications (the "System"), the Executive Director of the British Columbia Securities Commission is the principal regulator for this application;

AND WHEREAS *360networks* has represented to the Decision Makers that:

1. *360networks* was incorporated on February 5, 1998 under the *Business Corporations Act* (Alberta), was continued under the *Canada Business Corporations Act* on August 17, 1999 and is expected to be continued under the *Companies Act* (Nova Scotia), prior to the closing of the proposed offering;
2. the principal office of *360networks* in Canada is located in British Columbia;
3. *360networks* is not a reporting issuer, or equivalent, under the Legislation;
4. *360networks* is proposing to undertake an initial public offering of Subordinate Voting Shares in the Jurisdictions, the United States and Europe (the "Offering");
5. the Offering may include an offering of Subordinate Voting Shares by the Selling Shareholder to the public in the Jurisdictions, the United States and Europe;
6. there is currently no market for the Subordinate Voting Shares; however, *360networks* has applied to have the Subordinate Voting Shares listed on The Toronto Stock Exchange and quoted on the Nasdaq National Market;
7. in connection with the Offering, *360networks* filed with the United States Securities and Exchange Commission on January 28, 2000 a registration statement on Form F-1 and, on March 22, 2000 Amendment No. 1 (together, the "Registration Statement");
8. in connection with the Offering, *360networks* filed on February 3, 2000 a preliminary long-form prospectus dated January 28, 2000 and, on March 22, 2000, an amended preliminary long-form prospectus dated March 22, 2000 (together, the "Preliminary Prospectus") with each of the Decision Makers;
9. in connection with the offering of Subordinate Voting Shares in the United States, *360networks* intends to use the procedures permitted by Rule 430A under the *Securities Act of 1933*, under which *360networks* will be permitted to omit from the Registration Statement certain offering price-related information and file a form of prospectus containing the previously omitted pricing information to price the Offering after the Registration Statement has been declared effective;
10. the size of the Offering is expected to be approximately C\$1.25 billion, of which C\$1.15 billion will be issued from *360networks'* treasury;

11. use of the PREP Procedures and the Quebec Procedures would permit *360networks* and the underwriters to better coordinate the pricing, prospectus delivery, confirmation of purchase and closing and settlement procedures in Canada with those expected to be used in connection with the portion of the Offering being made in the United States;
12. neither *360networks* nor the Subordinate Voting Shares meet the eligibility criteria which otherwise would permit *360networks* to use the PREP Procedures and the Quebec Procedures; and
13. each of the Decision Makers granted a substantially similar decision to *360networks* on March 17, 2000 (the "Previous Decision Document"), but due to the change of name and change in capitalization, *360networks* and the Selling Shareholder cannot rely on the Previous Decision Document for the proposed Offering;

AND WHEREAS under the System, this MRRS Decision Document evidences the decision of each of the Decision Makers (collectively, the "Decision");

AND WHEREAS 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;

THE DECISION of the Decision Makers under the Legislation is that:

1. the Previous Decision Document is revoked; and
2. *360networks* and the Selling Shareholder are exempted from the Prospectus Requirements of the Legislation with respect to any distribution of Subordinate Voting Shares under the Offering effected in compliance with the PREP Procedures and the Quebec Procedures, insofar as such requirements concern:
 - (a) the form and content of a preliminary prospectus or prospectus, including the form of prospectus certificates, filed under the Legislation; and
 - (b) the filing of an amendment or supplement to a preliminary prospectus or prospectus filed under the Legislation;provided that:
 - (c) the Preliminary Prospectus is supplemented and amended pursuant to and in accordance with the requirements and procedures set forth in NP 44 and the Quebec Regulation, including the filing of amendments complying with the requirements of the Legislation;
 - (d) a prospectus complying with NP 44 and the Quebec Regulation is filed under the Legislation pursuant to and in accordance with the requirements and procedures set forth in NP 44 and the Quebec Regulation, as if *360networks* and the Selling Shareholder were eligible to use

the PREP Procedures and the Quebec Procedures; and

- (e) such prospectus is supplemented and amended pursuant to and in accordance with the requirements and procedures set forth in NP 44 and the Quebec Regulation, including the filing of amendments complying with the requirements of the Legislation.

April 18th, 2000

"Margaret Sheehy"

2.1.3 Beta Brands Incorporated - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – Relief from issuer bid requirements – issuer acquiring all of its outstanding preference shares and warrants as partial consideration for the sale of an indirect, wholly-owned subsidiary – Holders of the securities are knowledgeable concerning the affairs of the issuer and do not object to the granting of the order

Applicable Ontario Statutory Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 95, 96, 97, 98, 100, 101 and 104(2)(c).

Applicable Ontario Policy

OSC Policy Statement No. 9.1

IN THE MATTER OF
THE SECURITIES LEGISLATION OF ONTARIO AND
QUÉBEC

AND

IN THE MATTER OF
THE MUTUAL RELIANCE REVIEW SYSTEM
FOR EXEMPTIVE RELIEF APPLICATIONS

AND

IN THE MATTER OF
BETA BRANDS INCORPORATED

MRRS DECISION DOCUMENT

WHEREAS the local securities regulatory authority or regulator (the "Decision Maker") in each of Ontario and Québec (the "Jurisdictions") has received an application from Beta Brands Incorporated ("BBI") for a decision pursuant to the securities legislation of the Jurisdictions (the "Legislation") that the issuer bid requirements of the Legislation shall not apply to the acquisition by BBI for cancellation of all of its outstanding preference shares and warrants in partial consideration for the sale of an indirect, wholly-owned subsidiary of BBI;

AND WHEREAS pursuant to the Mutual Reliance Review System for Exemptive Relief Applications (the "System"), the Ontario Securities Commission is the principal regulator for this application;

AND WHEREAS BBI has represented to the Decision Makers that:

1. BBI is a corporation governed by the *Business Corporations Act* (Yukon) and having its head office in London, Ontario;
2. The authorized capital of BBI consists of an unlimited number of common shares and an unlimited number of

- preference shares issuable in series of which, as at December 31, 1999, 32,432,057 common shares and 8,419 preference shares were issued and outstanding;
3. The common shares of BBI are listed and posted for trading on the Canadian Venture Exchange;
 4. BBI is a reporting issuer within the meaning of the *Securities Act* (Alberta), but is not a reporting issuer under the Legislation;
 5. BBI's business consists of manufacturing and distributing confectionery and other food products in Canada and the United States, and its Canadian business is conducted through a wholly-owned subsidiary, Beta Brands Limited ("BBL");
 6. BBL acquired the confectionery and food distribution businesses of Regal Confections Inc. and Sweet Expressions Foods Inc. (the "Vendors") in an asset purchase transaction on December 31, 1998, in consideration for, among other things, (a) 8,419 2.5% \$1,000 voting convertible preference shares of BBI and (b) warrants to purchase 1,500 common shares of BBI (collectively, the "Consideration Securities");
 7. Following the acquisition of the Vendors' businesses, BBL's operations were reorganized as two separate divisions: Beta Manufacturing and Beta Distributing;
 8. Each of the principals of the Vendors (the "Principals") was appointed a director of BBI and/or an officer of BBL and is currently engaged in the management of Beta Distributing;
 9. BBL and the Principals have determined that it is in each of their respective best interests for BBL to sell the business of Beta Distributing to one or more corporations each of which shall be organized, owned and managed by one or more of the Principals and have is registered office in Ontario or Québec (collectively, the "PurchaseCos");
 10. In order to facilitate the sale of Beta Distributing, BBL has transferred substantially all of the assets and liabilities of Beta Distributing to a wholly-owned subsidiary ("DistributionCo");
 11. BBL intends to enter into a share purchase agreement with the PurchaseCos pursuant to which BBL will sell and the PurchaseCos will purchase all of the issued and outstanding shares of DistributionCo (the "Transaction");
 12. The PurchaseCos will satisfy the purchase price in respect of the shares of DistributionCo through, among other things, (a) the payment of cash to BBL, and (b) the surrender and delivery of the Consideration Securities to BBI for cancellation;
 13. The terms of the Transaction are being negotiated on behalf of BBL by representatives of BBI's controlling shareholder, CM Equity Partners, LP, and on behalf of the PurchaseCos by the Principals;
 14. The directors of BBI who are independent of the PurchaseCos will review the terms of the Transaction and assess its fairness and, if they determine in the exercise of their fiduciary duties that the Transaction is in the best interests of the Corporation, approve the Transaction;
 15. The Transaction will constitute both a "related party transaction" and an "issuer bid" for the purposes of the Legislation, OSC Policy 9.1 and QSC Policy Q-27;
 16. The Transaction will be subject to the enhanced disclosure requirements applicable to related party transactions, and, if the Transaction is approved, BBI will comply with these requirements, which include issuing and filing a press release and material change report describing the Transaction;
 17. The Transaction will be exempt from the valuation and minority approval requirements applicable to related party transactions by virtue of being a negotiated transaction conducted by an arm's length controlling shareholder;
 18. It would not be prejudicial to the public interest for the Decision Makers to grant an order exempting BBI from the requirement to prepare and deliver an issuer bid circular to the PurchaseCos and from the other issuer bid requirements in connection with the acquisition of the Consideration Securities because the PurchaseCos would be the sole beneficiaries of the protections afforded by the issuer bid requirements and the PurchaseCos do not require these protections; and
 19. The Principals are knowledgeable regarding the business and affairs of the BBI, have participated in the negotiation of the terms of the Transaction, and have advised BBI that they do not object to the granting of the relief requested;
- AND WHEREAS** under the System, this MRRS Decision Document evidences the decision of each Decision Maker (collectively, the "Decision");
- AND WHEREAS** 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;
- The Decision of the Decision Makers under the Legislation is that BBI be exempt from the issuer bid requirements of the Legislation in connection with the Transaction.

February 29th, 2000.

"J. A. Geller"

"Robert W. Davis"

2.1.4 Botswana Diamondfields Incorporated - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications - issuer with fewer than 15 security holders deemed, pursuant to section 83 of the Act, deemed to have ceased to be a reporting issuer.

Applicable Ontario Statutory Provisions

Securities Act, R.S.O. 1990, c.S.5, as am. ss.83.

IN THE MATTER OF THE SECURITIES LEGISLATION OF BRITISH COLUMBIA AND ONTARIO

AND

IN THE MATTER OF THE MUTUAL RELIANCE REVIEW SYSTEM FOR EXEMPTIVE RELIEF APPLICATIONS

AND

IN THE MATTER OF BOTSWANA DIAMONDFIELDS INCORPORATED

MRRS DECISION DOCUMENT

WHEREAS the local securities regulatory authority or regulator (the "Decision Maker") in each of British Columbia and Ontario (the "Jurisdictions") has received an application from Botswana Diamondfields Incorporated ("Botswana") for a decision pursuant to the securities legislation of each of the Jurisdictions (the "Legislation") that Botswana is deemed to have ceased to be a reporting issuer or the equivalent under the Legislation;

AND WHEREAS pursuant to the Mutual Reliance Review System for Exemptive Relief Applications (the "System"), the Executive Director of the British Columbia Securities Commission is the principal regulator for this application;

AND WHEREAS Botswana has represented to the Decision Maker that:

1. Botswana was incorporated under the laws of British Columbia on June 29, 1981;
2. the head office of Botswana is in Vancouver, British Columbia;
3. Botswana is a reporting issuer or the equivalent under the Legislation;
4. Botswana is not in default of any requirements of the Legislation;
5. pursuant to a plan of arrangement completed on January 14, 2000, Crew Development Corporation acquired beneficial ownership of 100% of the

outstanding common shares of Botswana (the "Shares");

6. the Shares were de-listed from the Canadian Venture Exchange on January 14, 2000, and no securities of Botswana are listed on any other stock exchange in Canada;
7. other than the Shares, Botswana has no outstanding securities; and
8. Botswana does not intend to seek public financing by way of an issue of securities at this time;

AND WHEREAS pursuant to the System, this MRRS decision document evidences the decision of each Decision Maker (collectively, the "Decision");

AND WHEREAS 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;

The Decision of the Decision Maker under the Legislation is that Botswana is deemed to have ceased to be a reporting issuer or the equivalent under the Legislation.

April 19th, 2000.

"Margaret Sheehy"

2.1.5 Canadian Imperial Bank of Commerce - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications - Director waives requirements of NP 44 and NP 47 in the context of proposed offerings of cash-settled derivative warrants provided the offerings are made substantially in compliance with draft National Instrument 44-101 and draft National Instrument 44-102 but subject to certain modifications - Commission grants relief from the independent underwriter requirements.

Applicable Ontario Statutory Provisions

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

Regulations Cited

Regulation made under the Securities Act, R.R.O. 1990, Reg. 1015, as am., ss. 224(1)(b) and 233

Rules Cited

National Policy 44 - Prompt Offering Qualification System
Rule entitled In the Matter of the Prompt Offering Qualification System

National Policy 47

Rule entitled In the Matter of Rules for Shelf Prospectus Offerings and for Pricing Offerings after the Prospectus is Received

Rule entitled In the Matter of the Limitations on a Registrant Underwriting Securities of a Related Issuer or Connected Issuer of the Registrant

Proposed National Instrument 44-101 - Short Form Prospectus Distributions

Proposed National Instrument 44-102 - Shelf Distributions

Proposed Multi-Jurisdictional Instrument 33-105 - Underwriting Conflicts

the Jurisdictions (the "Legislation") that certain provisions contained in the Legislation relating to (i) the form and content of a prospectus, (ii) the requirement to file an amendment to a preliminary prospectus or a prospectus, (iii) the form of prospectus certificates, (iv) the date by which the distribution of securities pursuant to a prospectus filed under the Legislation must cease, (v) the requirement, where applicable, to file a cross-reference sheet and (vi) the participation of independent underwriters where there is a conflict of interest involving connected and/or related issuers, shall not apply to the offerings (the "Offerings") of cash-settled derivative warrants of CIBC (the "Warrants") substantially in accordance with the short form prospectus distribution system procedures contemplated in draft National Instrument 44-101 - *Short Form Prospectus Distributions* ("Draft NI 44-101") and the shelf distribution system procedures contemplated in draft National Instrument 44-102 - *Shelf Distributions* ("Draft NI 44-102"), subject to the modifications proposed below;

AND WHEREAS the Canadian Securities Administrators (the "CSA") have proposed that (a) Draft NI 44-101, together with related forms, policies and rules, will replace National Policy 47 - *Prompt Offering Qualification System* ("NP 47"), and (b) Draft NI 44-102, together with its companion policy, will (i) replace the provisions relating to shelf distributions contained in National Policy 44 - *Rules for Shelf Prospectus Offerings and for Pricing Offerings After the Final Prospectus is Received* ("NP 44"), and (ii) together with draft National Instrument 44-103 - *Post-Receipt Pricing* and its companion policy, replace NP 44 in its entirety;

AND WHEREAS the CSA has adopted National Policy 43-201 - *Mutual Reliance Review System for Prospectuses and Annual Information Forms* ("NP 43-201"), which supplements those sections in Draft NI 44-101 (and its companion policy) that deal with the procedures for filing and review of short form prospectuses and initial AIFs, and has rescinded National Policy 1 (Clearance of National Issues);

AND WHEREAS the CSA has proposed that draft Multi-Jurisdictional Instrument 33-105 - *Underwriting Conflicts* ("Draft MJI 33-105") will, together with its companion policy, replace those provisions of the Legislation which regulate conflicts of interest in connection with connected and/or related issuers and the participation of independent underwriters in the case of such a conflict;

AND WHEREAS pursuant to the Mutual Reliance Review System for Exemptive Relief Applications (the "System"), the Ontario Securities Commission is the principal regulator for this application;

AND WHEREAS CIBC has represented to the Decision Makers that:

1. CIBC is a bank listed in Schedule I to the *Bank Act* (Canada).
2. CIBC is a reporting issuer in each of the Jurisdictions which have such a concept and is not on any list of defaulting reporting issuers maintained by the Decision Makers in such Jurisdictions.

**IN THE MATTER OF
THE SECURITIES LEGISLATION
OF ALL CANADIAN PROVINCES AND TERRITORIES**

AND

**IN THE MATTER OF
THE MUTUAL RELIANCE REVIEW SYSTEM
FOR EXEMPTIVE RELIEF APPLICATIONS**

AND

**IN THE MATTER OF
CANADIAN IMPERIAL BANK OF COMMERCE**

MRRS DECISION DOCUMENT

WHEREAS the local securities regulatory authority or regulator (the "Decision Maker") in each of the provinces and territories of Canada (the "Jurisdictions") has received an application from Canadian Imperial Bank of Commerce ("CIBC") for a decision pursuant to the securities legislation of

3. CIBC is eligible to participate in the short form prospectus distribution system contemplated by Draft NI 44-101 and, as a result, is also eligible to participate in the shelf distribution system contemplated by Draft NI 44-102.
4. The Warrants will be offered pursuant to a final base shelf prospectus (the "**Shelf Prospectus**"), one or more shelf prospectus supplements for each series of Warrants (the "**Prospectus Supplements**") and further pricing shelf prospectus supplements for each tranche of Warrants within a particular series (the "**Pricing Supplements**"), and it is expected that all Warrants (other than "chooser" warrants) within a particular series will be fungible.
5. The Shelf Prospectus will describe (but will not contain an exhaustive list of) the types of underlying interests to which the Warrants may be linked (the "**Underlying Interests**") and the other variable attributes which may pertain to a particular series of Warrants.
6. Each Prospectus Supplement will describe the principal terms of a particular series of Warrants, including the type of Warrant (e.g., puts, calls, chooser warrants), the identity and description of the Underlying Interest, the Warrant style (e.g., American, European, Asian), the conditions for exercise (including expiry date), the formula used to calculate the cash settlement value and the settlement currency.
7. Each Pricing Supplement will contain additional information ("**Pricing Supplement Information**") about a particular tranche of Warrants within a series, including the issue price and the issue date for the Offering of the tranche.
8. The Warrants will be created and issued under the terms of a master warrant agency agreement to be entered into between CIBC Mellon Trust Company, as warrant agent, and CIBC, which indenture will be supplemented by series warrant indentures which will be executed by such parties in connection with each series and tranche thereof.
9. CIBC proposes to distribute the Warrants pursuant to the short form distribution system procedures contemplated in Draft NI 44-101 and the shelf distribution system procedures set out in Draft NI 44-102 and in compliance with the provisions of Draft MJI 33-105 regarding underwriting conflicts, with the following variations and such other variations as the Director may permit:
 - (a) notwithstanding the provisions of sections 4.1(1) and 4.1(2)(b) of Draft NI 44-102, the undertaking which is required by section 4.1(1) shall state that, and the pre-clearance procedures to be followed by CIBC in connection with Offerings involving novel Warrants shall require that (I) CIBC will not distribute under the base shelf prospectus Warrants that, at the time of distribution, are novel, unless either (i) the regulator has confirmed his or her acceptance of each draft shelf prospectus supplement in substantially final form or each shelf prospectus supplement in final form, or (ii) 12 days have elapsed since the date of delivery of each draft shelf prospectus supplement in substantially final form to the regulator and the regulator has not provided written comments on the draft shelf prospectus supplement; (II) at the time a draft shelf prospectus supplement in substantially final form is delivered to the regulator as contemplated under (I) above, CIBC will reference this decision in a covering letter; and (III) CIBC will comply with the other provisions of section 4.1 of Draft NI 44-102;
 - (b) notwithstanding the provisions of section 5.4 and section 5.5(5) of Draft NI 44-102, the Shelf Prospectus need not set forth the aggregate dollar amount of Warrants that may be raised under the Shelf Prospectus;
 - (c) notwithstanding the provisions of section 6.3(1)(3)(b) of Draft NI 44-102, a Prospectus Supplement may contain a certificate in accordance with method 1 notwithstanding that the Shelf Prospectus contains a certificate in accordance with method 2 and, in such case, no certificate will be required in any Pricing Supplement in respect of the same series of Warrants as such Prospectus Supplement;
 - (d) CIBC and CIBC World Markets Inc. will not be required to comply with the provisions of the Legislation that regulate conflicts of interest in connection with connected and/or related issuers and the participation of independent underwriters in the case of such a conflict provided that CIBC and CIBC World Markets Inc. will comply with the provisions of Draft MJI 33-105 as set out in this Decision Document;
 - (e) notwithstanding the provisions of Section 6.4(2) of Draft NI 44-102, each Prospectus Supplement and Pricing Supplement in respect of a particular series of Warrants will be filed within two business days after the date the Prospectus Supplement or Pricing Supplement, as the case may be, was first used; and
 - (f) notwithstanding the provisions of Section 6.7 of Draft NI 44-102, there shall be no requirement to send or deliver the Pricing Supplement to a purchaser at the time that the Shelf Prospectus and the applicable Prospectus Supplement in respect of a series of Warrants are sent or delivered to such purchaser, provided that, once the Pricing Supplement is available, if (i) the Shelf Prospectus and the applicable Prospectus Supplement have not been previously sent or delivered to such purchaser, or (ii) the Shelf Prospectus or the applicable Prospectus Supplement has been amended at any time since they were sent or delivered to such purchaser, the Pricing Supplement will be sent or delivered to such purchaser together with the Shelf Prospectus and the applicable Prospectus

Supplement, and, for greater certainty, the foregoing does not relieve CIBC from the obligation to send or deliver to purchasers the Pricing Supplement, if available, at the time the Shelf Prospectus and the applicable Prospectus Supplement are delivered to purchasers.

10. The Warrants will be sold by CIBC World Markets Inc. and at least one other dealer registered under the Legislation as broker, investment dealer and/or securities dealer, either on a firm commitment basis or on a best efforts basis, as specified in the Prospectus Supplement in respect of a particular series of Warrants.
11. CIBC World Markets Inc. is an indirect wholly-owned subsidiary of CIBC.

AND WHEREAS pursuant to the System this MRRS Decision Document evidences the decision of each Decision Maker (collectively, the "Decision");

AND WHEREAS the Decision Makers are of the opinion that it would not be prejudicial to the public interest to make the Decision;

THE DECISION of the Decision Makers pursuant to the Legislation is that:

- (a) The following requirements or provisions contained in the Legislation shall not apply in connection with the Offerings:
 - (i) any provision in the Legislation relating to the form and content of the Shelf Prospectus, the Prospectus Supplements or the Pricing Supplements;
 - (ii) any requirement in the Legislation to file an amendment to the preliminary base shelf prospectus or final base shelf prospectus;
 - (iii) any provision in the Legislation relating to the form of a certificate of an issuer, promoter or underwriter to be contained in or filed with the Shelf Prospectus, the Prospectus Supplements or the Pricing Supplements;
 - (iv) any provision in the Legislation relating to the date by which a distribution of Warrants pursuant to the Shelf Prospectus; the Prospectus Supplements or the Pricing Supplements must cease; and
 - (v) the requirement in Alberta and Manitoba to file a cross-reference sheet;
- (b) NP 44 and NP 47 shall not apply to the Offerings;
- (c) any requirements or provisions of the Legislation which (i) conflict with Draft NI 44-101 or Draft NI 44-102 shall not apply to the Offerings and (ii) are modified by Draft NI 44-101 or Draft 44-102 shall apply to the Offerings only in such modified form; and

- (d) this decision shall continue to be operative until and shall expire upon the date which is 24 months after the date of the receipt for the Shelf Prospectus despite the entry into force of Draft NI 44-101, Draft NI 44-102 and Draft MJI 33-105 in the form currently proposed or in an amended form.

PROVIDED that, in each case, the Offerings comply with the provisions of, and that receipts are issued for the preliminary base shelf prospectus and final base shelf prospectus filed pursuant to and in accordance with the requirements and procedures set forth in, Draft NI 44-101, Draft NI 44-102 and NP 43-201 (or such other policy setting out the procedures for filing and review of short form prospectuses as may be proposed or in effect at such time), with the variations set out in paragraph 9 above and such other variations as may be permitted, such permission to be conclusively evidenced by the issuance of a receipt for the final base shelf prospectus.

DATED at Toronto this 12th day of May, 2000.

"Iva Vranic"

THE FURTHER DECISION of the Decision Makers pursuant to the Legislation is that:

- (a) the provisions in the Legislation concerning conflicts of interest in connection with connected and/or related issuers and the participation of independent underwriters in the case of such a conflict shall not apply in connection with the Offerings provided that, with respect to each Offering:
 - A. in respect of an underwritten Offering, the portion of the Offering underwritten by at least one other registrant (an "independent underwriter") in respect of which CIBC is not a "related issuer" or, in connection with the Offering, a "connected issuer", for the purposes of the Legislation, is not less than the lesser of:
 - (i) 20 per cent of the dollar value of the Offering; and
 - (ii) the largest portion of the Offering that is underwritten by CIBC World Markets Inc. or any other registrant that is not an independent underwriter;
 - B. in respect of a best efforts Offering, the portion of the total management fees received by at least one other registrant (an "independent agent") in respect of which CIBC is not a "related issuer" or, in connection with the Offering, a "connected issuer" for purposes of the Legislation, is not less than the lesser of:
 - (i) 20 per cent of the total management fees for the Offering; and
 - (ii) the largest portion of the management fees paid or payable to CIBC World

Markets Inc. or any other registrant that is not an independent agent;

- C. the independent underwriter or independent agent, as applicable, participates in the pricing and determination of the formula for the settlement value of the Warrants; and
- D. the name of the independent underwriter or independent agent, as applicable, and the extent of its participation in the due diligence, the drafting of the Prospectus Supplement, the pricing and the determination of the formula for the settlement value of the Warrants are disclosed in the applicable Prospectus Supplement; and

- (b) this decision shall continue to be operative until and shall expire upon the date which is 24 months after the date of the receipt for the Shelf Prospectus despite the entry into force of Draft NI 44-101, Draft NI 44-102 and Draft MJI 33-105, in the form currently proposed or in an amended form;

PROVIDED that, in each case, the Offerings comply with the provisions of, and that receipts are issued for the preliminary base shelf prospectus and final base shelf prospectus filed pursuant to and in accordance with the requirements and procedures set forth in, Draft NI 44-101, Draft NI 44-102 and NP 43-201 (or such other policy setting out the procedures for filing and review of short form prospectuses as may be proposed or in effect at such time), with the variations set out above and such other variations as may be permitted, such permission to be conclusively evidenced by the issuance of a receipt for the final base shelf prospectus

May 12th, 2000.

"J. A. Geller"

"Theresa McLeod"

2.1.6 Eiger Technology, Inc. - MRRS Decision

Headnote

Prompt Offering Qualification System - Waiver granted pursuant to section 4.5 of National Policy Statement No. 47 to enable issuer to participate in the POP System when it did not meet the "public float" test in the last calendar month of the 1999 financial year in respect of which its Initial Annual Information Form will be filed, provided that it does meet the "public float" test as at a date within 60 days before the filing of its preliminary short form prospectus - waiver reflects the reviewed eligibility criteria set out in proposed National Instrument 44-101.

Statutes Cited

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

Rules Cited

Proposed National Instrument 44-101 Short Form Prospectus Distributions.

Policies Cited

National Policy statement No. 47 Prompt Offering Qualification System ss. 41 and 45.

IN THE MATTER OF THE SECURITIES LEGISLATION OF THE PROVINCES OF BRITISH COLUMBIA AND ONTARIO

AND

IN THE MATTER OF THE MUTUAL RELIANCE REVIEW SYSTEM FOR EXEMPTIVE RELIEF APPLICATIONS

AND

IN THE MATTER OF EIGER TECHNOLOGY, INC.

MRRS DECISION DOCUMENT

WHEREAS the local securities regulatory authority or regulator (the "Decision Maker") in each of British Columbia and Ontario (the "Jurisdictions") has received an application from Eiger Technology, Inc. ("Eiger" or, the "Filer") for a decision under the securities legislation and securities directions of the Jurisdictions (the "Legislation") that, in connection with the filing of an Initial AIF (as defined in National Policy Statement No. 47 ("NP 47")), the requirement contained in NP 47 to calculate the arithmetic average of the closing prices of the Equity Securities (as defined and calculated under NP 47) for each trading day during the last calendar month of the financial year in respect of which an Initial AIF is filed (the "Market Capitalization Requirement") be waived to permit the Filer to participate in the prompt offering qualification system (the "POP System");

AND WHEREAS under the Mutual Reliance Review System for Exemptive Relief Applications ("the System"), the Ontario Securities Commission is the principal regulator for this application;

AND WHEREAS the Filer has represented to the Decision Makers that:

1. Eiger was incorporated as Alexa Ventures Inc. under the *Company Act* (British Columbia) on September 8, 1986. The Applicant subsequently changed its name to Eiger Technology, Inc., effective November 26, 1999.
2. The head office and principal place of business of the Filer is located at 818 Erie Street, Stratford, Ontario, N4Z 1A2. The address of the registered office of the Filer is 2550-555 West Hastings Street, Vancouver, British Columbia, V6B 4N5.
3. Eiger is and has been a reporting issuer under the securities legislation of each of the Jurisdictions for over 12 months and is not in default of any requirement of the Legislation.
4. Eiger's financial year end is September 30.
5. Eiger's authorized capital consists of 100,000,000 common shares ("Common Shares") of which 26,646,308 were issued and outstanding as fully paid and non-assessable as at March 31, 2000. In addition, there are 4,400,000 Common Shares reserved for issuance (the "Underlying Common Shares") to holders of special warrants of Eiger resident in the Jurisdictions which were issued in a transaction which closed on March 7, 2000.
6. The Common Shares are listed and posted for trading on The Toronto Stock Exchange (the "TSE").
7. The aggregate market value of Eiger's Equity Securities was less than \$75,000,000 for the month of September, 1999.
8. Eiger would be eligible to use the POP System but for the fact that the aggregate market value of the Equity Securities for the month of September, 1999 was less than \$75,000,000.
9. The aggregate market value of the Equity Securities for each of the month of March and April, 2000, not including the Underlying Common Shares, was in excess of \$75,000,000.
10. Eiger would be eligible to participate in the POP System upon the filing and acceptance of its Initial AIF under the proposed National Instrument 44-101, which would replace the current calculations of the market value of an issuer's Equity Securities under NP47 by a calculation as of a date within 60 days before the date of the filing of the Applicant's preliminary short form prospectus.
11. The Filer intends to qualify the distribution of the Underlying Common Shares and is of the view that a

short form prospectus would be the most appropriate vehicle for an offering of its securities.

AND WHEREAS under the System, this MRRS Decision Document evidences the decision of each Decision Maker (collectively, the "Decision");

AND WHEREAS 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;

The decision of the Decision Makers under the Legislation is that the Market Capitalization Requirement be waived to permit the Filer to participate in the POP System.

- (a) Eiger complies with the filing requirements and procedures and each of the other eligibility requirements of the POP System;
- (b) the aggregate market value of the Common Shares of Eiger, calculated in accordance with the POP System, is \$75,000,000 or more on a date within sixty (60) days before the date of the filing of Eiger's preliminary short form prospectus;
- (c) the eligibility certificate to be filed in respect of the Eiger's Initial AIF shall state that Eiger satisfies the requirements of the POP System, and shall make reference to this Decision; and
- (d) this Decision shall terminate on the earlier of:
 - (i) 140 days after the end of Eiger's financial year ended September 30, 2000; and
 - (ii) the date of filing a Renewal AIF (as defined in NP 47) by Eiger in respect of its financial year ended September 30, 2000.

May 10th, 2000.

"Iva Vranic"

2.1.7 General Motors Corporation - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications - Securities exchange issuer bid made by U.S. offeror with approximately 5,000 registered holders in Canada holding approximately 0.23% of the total outstanding securities subject to the bid - Offeror exempt from the formal issuer bid requirements, provided that the issuer bid is made in compliance with applicable U.S. securities laws and all materials relating to the issuer bid sent to U.S. offerees is also sent to all offerees in the Jurisdictions and filed with the Decision Maker in each Jurisdiction.

Applicable Ontario Statutory Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 95, 96, 97, 98, 100 and 104(2)(c)

IN THE MATTER OF THE SECURITIES LEGISLATION OF BRITISH COLUMBIA, ALBERTA, MANITOBA, ONTARIO, QUEBEC AND NOVA SCOTIA

IN THE MATTER OF THE MUTUAL RELIANCE REVIEW SYSTEM FOR EXEMPTIVE RELIEF APPLICATIONS

AND

IN THE MATTER OF GENERAL MOTORS CORPORATION

MRRS DECISION DOCUMENT

WHEREAS the local securities regulatory authority or regulator (the "Decision Maker") in each of British Columbia, Alberta, Manitoba, Ontario, Quebec and Nova Scotia (the "Jurisdictions") has received an application (the "Application") from General Motors Corporation ("GM") for a decision pursuant to the securities legislation (the "Legislation") that, in connection with the proposed purchase by GM of a portion of its outstanding Common Stock, U.S. \$1½ par value per share (the "\$1½ Common Shares") pursuant to an issuer bid (the "Exchange Offer"), GM be exempt from the provisions in the Legislation relating to delivery of an offer and issuer bid circular and any notices of change or variation thereto, minimum deposit periods and withdrawal rights, take-up of and payment for securities tendered to an issuer bid, disclosure, restrictions upon purchases of securities, identical consideration and collateral benefits (collectively, the "Issuer Bid Requirements");

AND WHEREAS pursuant to the Mutual Reliance Review System for Exemptive Relief Applications (the "System"), the Ontario Securities Commission is the Principal Regulator for the Application;

AND WHEREAS GM has represented to the Decision Makers as follows:

1. GM is incorporated under the laws of the State of Delaware.
2. GM is a reporting issuer in Ontario and Quebec but is not a reporting issuer in British Columbia, Alberta, Manitoba or Nova Scotia. It is not in default of the requirements of the Legislation in Ontario or Quebec.
3. As of January 31, 2000, there were approximately 619,079,537 \$1½ Common Shares and 137,521,554 shares of Class H Common Stock, U.S. \$0.10 par value per share, of GM (the "Class H Shares") outstanding.
4. The \$1½ Common Shares are listed for trading on, among other exchanges, The Toronto Stock Exchange (the "TSE") and the New York Stock Exchange (the "NYSE"). The Class H Shares are listed for trading on the NYSE.
5. As of January 31, 2000, there were approximately 5,302 holders of record of the \$1½ Common Shares having addresses in Canada (collectively, the "Canadian Registered Holders") holding, in the aggregate, 1,395,505 \$1½ Common Shares representing approximately 0.23% of the outstanding \$1½ Common Shares. As of January 31, 2000, there were 50 or more Canadian Registered Holders resident in each of the Jurisdictions.
6. GM proposes to make the Exchange Offer in the United States and other jurisdictions outside the United States, including the Jurisdictions. Pursuant to the Exchange Offer, GM will offer to exchange a certain number of Class H Shares for each \$1½ Common Share accepted for purchase under the Exchange Offer pursuant to an exchange ratio that will be fixed on, or shortly before, the commencement of the Exchange Offer.
7. The Exchange Offer will be made in compliance with the Securities Act of 1933 (United States) (the "1933 Act"), the Securities Exchange Act of 1934 (United States) (the "1934 Act") and the rules of the Securities and Exchange Commission pursuant to the 1933 Act and 1934 Act (collectively, the "Applicable U.S. Securities Laws").
8. All material relating to the Exchange Offer and any amendment thereto that is sent by or on behalf of GM to holders of \$1½ Common Shares resident in the United States (collectively, the "U.S. Shareholders") also will be sent concurrently to all Canadian Registered Holders whose last address, as shown on GM's books, is in any Jurisdiction, and filed with each of the Decision Makers.
9. GM cannot rely upon the *de minimis* exemption from the Issuer Bid Requirements because, in each of the Jurisdictions, there are 50 or more Canadian Registered Holders whose last address as shown on GM's books is in such Jurisdiction.

AND WHEREAS pursuant to the System, this MRRS Decision Document evidences the decision of each Decision Maker (collectively, the "Decision");

AND WHEREAS 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;

THE DECISION of the Decision Makers pursuant to the Legislation is that the Issuer Bid Requirements shall not apply to the Exchange Offer, provided that:

- (1) the Exchange Offer and any amendment thereto is made in compliance with the Applicable U.S. Securities Laws; and
- (2) all material relating to the Exchange Offer and any amendment thereto that is sent by or on behalf of GM to U.S. Shareholders is also sent concurrently to all Canadian Registered Holders whose last address, as shown on GM's books, is in any Jurisdiction and filed with each of the Decision Makers.

March 28th, 2000.

"J. A. Geller"

"R. Stephen Paddon"

2.1.8 Greater Toronto Airports Authority et al. - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications - Issuer is a connected issuer, but not a related issuer, in respect of registrants that are underwriters in proposed distributions of medium-term notes by the issuer - Underwriters exempt from the independent underwriter requirement in the legislation provided issuer not in financial difficulty.

Applicable Ontario Regulations

Regulation made under the Securities Act, R.R.O. 1990, Reg. 1015, as am., ss. 219(1), 224(1)(b) and 233.

Applicable Ontario Rules

Proposed Multi-Jurisdictional Instrument 33-105 *Underwriting Conflicts* (1998), 21 OSCB 781, as amended (1999), 22 OSCB 149.

**IN THE MATTER OF THE SECURITIES
LEGISLATION OF BRITISH COLUMBIA, ALBERTA,
ONTARIO
AND NEWFOUNDLAND**

AND

**IN THE MATTER OF THE
MUTUAL RELIANCE REVIEW SYSTEM
FOR EXEMPTIVE RELIEF APPLICATIONS**

AND

**IN THE MATTER OF
GREATER TORONTO AIRPORTS AUTHORITY**

AND

**IN THE MATTER OF
BMO NESBITT BURNS INC., SCOTIA CAPITAL INC.,
CIBC WORLD MARKETS INC., RBC DOMINION
SECURITIES INC., TD SECURITIES INC., AND NATIONAL
BANK FINANCIAL LTD.**

MRRS DECISION DOCUMENT

WHEREAS the Canadian securities regulatory authority or regulator (the "Decision Maker") in each of British Columbia, Alberta, Ontario and Newfoundland (the "Jurisdictions") has received an application from BMO Nesbitt Burns Inc., Scotia Capital Inc., CIBC World Markets Inc., RBC Dominion Securities Inc., TD Securities Inc. and National Bank Financial Ltd. (the "Applicant Dealers") and the Greater Toronto Airports Authority (the "GTAA") for a decision under the securities legislation of the Jurisdictions (the "Legislation") that the restriction contained in the Legislation which applies to underwriters or agents in connection with a distribution of securities of a connected issuer (or its equivalent) shall not apply to the Applicant Dealers in respect of proposed offerings

in one or more series or issues (each, an "Offering" and collectively, the "Offerings") by the GTAA of Medium-Term Notes (the "Notes") to be made by means of a prospectus supplement (the "Prospectus Supplement") and a pricing supplement for each particular Offering (each, a "Pricing Supplement") to a short form shelf prospectus dated July 12, 1999;

AND WHEREAS pursuant to the Mutual Reliance Review System for Exemptive Relief Applications (the "System") the Ontario Securities Commission is the principal regulator for this application;

AND WHEREAS the GTAA has represented to the Decision Makers that:

1. The GTAA was incorporated on March 3, 1993 as a corporation without share capital under Part II of the *Canada Corporations Act*.
2. The GTAA was incorporated to operate and develop a regional network of airports in the Greater Toronto Area.
3. The GTAA intends to enter into a dealer agreement (the "Dealer Agreement") with the Applicants Dealers, Merrill Lynch Canada Inc. and Salomon Smith Barney Canada Inc. (collectively, the "Dealers") at the time of filing the Prospectus Supplement whereby the GTAA will agree to issue and sell, and the Dealers will agree to solicit from time to time, offers to purchase the Notes. The GTAA may select other investment dealers (the "Additional Dealers") to participate in one or more Offerings. Any Additional Dealers will become parties to the Dealer Agreement.
4. One or more of the Dealers and Additional Dealers will participate as agent or principal in each Offering.
5. The GTAA is a party to a Credit Facility with a syndicate of Canadian and international banks (the "Credit Facility"). Under the Credit Facility, the GTAA was provided with a 364-day revolving operating facility in an amount of up to \$150 million and a three-year revolving extendable term facility in an amount up to \$400 million.
6. The Applicant Dealers are subsidiaries of Canadian chartered banks (the "Banks") which are lenders to the GTAA under the Credit Facility which may be repaid through application of the proceeds of one or more of the Offerings. The Banks will not participate in the decision to make an Offering nor in the determination of the terms of an Offering or the use of proceeds thereof. The Dealers will not benefit in any manner from an Offering other than through their receipt of payment of their portion of the commissions in connection with an Offering in which they participate.
7. By virtue of the Dealers' relationship with the Banks, the GTAA and the Applicant Dealers are connected issuers (or its equivalent) for the purposes of the Legislation. Pursuant to the Dealer Agreement, the Applicant Dealers may purchase an aggregate amount of one or more Offerings that would constitute a percentage that

is greater than would otherwise be permitted by the Legislation.

8. The GTAA is not, and will not be, a "related issuer" (or its equivalent), as that term is defined in the Legislation and Proposed Multi-Jurisdictional Instrument 33-105 and Companion Policy 33-105CP on Underwriting Conflicts ("Instrument 33-105"), of any of the Dealers or Additional Dealers.
9. The Prospectus Supplement will contain such disclosure concerning the nature of the indebtedness by GTAA under the Credit Facility and the relationship between the GTAA, the Applicant Dealers and the Banks as would be required under Appendix "C" of Instrument 33-105.
10. The GTAA is not in financial difficulty.
11. The GTAA is not a "specified party" as that term is defined in Instrument 33-105.

AND WHEREAS pursuant to the System this MRRS Decision Document evidences the decision of each Decision Maker (collectively, the "Decision");

AND WHEREAS 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;

THE DECISION of the Decision Makers pursuant to the Legislation is that the restriction contained in the Legislation which applies to underwriters or agents in connection with a distribution of securities of a connected issuer (or its equivalent) shall not apply to the Applicant Dealers in respect of the Offerings provided that the GTAA is not a "specified party" as that term is defined in Instrument 33-105 at the time of each Offering.

April 26th, 2000.

"J. A. Geller"

"Howard I. Wetston"

2.1.9 NHC Communications Inc. - MRRS Decision

Headnote

Mutual Reliance Review system for Exemptive Relief Applications - waiver granted pursuant to section 4.5 of National Policy Statement No. 47 to enable issuer to participate in the POP System when it did not meet the "public float" test in the last calendar month of the 1999 financial year in respect of which its Initial AIF is filed provided that it does meet the "public float" test at a date within 60 days before the filing of its preliminary short form prospectus - waiver reflects the revised eligibility criteria set out in proposed National Instrument 44-101.

Applicable Ontario Statutory Provisions

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

Rules Cited

In the Matter of the Prompt Offering Qualification System (1997), 20 OSCB 1217.

Proposed Rule implementing proposed National Instrument 44-101 - *Prompt Offering Qualification System* (1998), 21 OSCB 1138.

Policies Cited

National Policy Statement No. 47 - *Prompt Offering Qualification System*, ss. 4.1 and 4.5.

**IN THE MATTER OF THE SECURITIES LEGISLATION
OF ONTARIO, ALBERTA, BRITISH COLUMBIA,
MANITOBA
AND QUÉBEC**

AND

**IN THE MATTER OF THE
MUTUAL RELIANCE REVIEW SYSTEM
FOR EXEMPTIVE RELIEF APPLICATIONS**

AND

**IN THE MATTER OF
NHC COMMUNICATIONS INC.
MRRS DECISION DOCUMENT**

WHEREAS the Canadian securities regulatory authority or regulator (the "Decision Maker") in each of the provinces of Ontario, Alberta, British Columbia, Manitoba and Québec (collectively, the "Jurisdictions") has received an application (the "Application") from NHC Communications Inc. (the "Filer") for a decision pursuant to Section 4.5 of National Policy 47 ("NP 47") and the legislation of each of the jurisdictions (the "Legislation") for a waiver from the provisions of Section 4.1(2)(b) of NP 47 and Section 169 of the Regulation Respecting Securities (Quebec) ("QRRS") to permit the Filer

to be eligible to participate in the prompt offering qualification system (the "POP System");

AND WHEREAS, pursuant to the Mutual Reliance Review System for Exemptive Relief Applications (the "System") the *Commission des valeurs mobilières du Québec* is the principal regulator for the Application;

AND WHEREAS the Filer has represented to the Decision Makers that:

1. The Filer is a corporation incorporated under the laws of Canada..
2. The Filer has been a reporting issuer in the Province of Ontario since May 31, 1990, the Province of Québec since February 13, 1990, the Province of Alberta since May 31, 1990 and the Province of British Columbia since February 17, 1986 (the "Jurisdictions") and is not in default of its obligations under the Legislation.
3. The authorized capital of the Filer consists of an unlimited number of common shares (the "Common Shares") and an unlimited number of preferred shares (the "Preferred Shares") of which, as of July 30, 1999, the Filer's most recent financial year end, 12,615,659 Common Shares and no Preferred Shares were issued and outstanding. As at July 30, 1999, 1,275,000 Common Shares were beneficially owned, directly or indirectly, or subject to the control or direction of Persons that alone or together with their respective affiliates or Associates (as defined in NP 47 and the QRRS) beneficially own or exercise control or direction over more than 10% of the Common Shares (the "Insiders").
4. As at February 29, 2000, 14,493,337 Common Shares and no Preferred Shares were issued and outstanding. As at such date, no Common Shares were held by Insiders.
5. The Common Shares are listed and posted for trading on The Toronto Stock Exchange (the "TSE") under the symbol "NHC".
6. The Filer's financial year end is the Friday which is on or immediately following July 30 in each year. The Filer's financial year end in 1999 was July 30, for the financial year 2000, it will be August 4.
7. As at July 30, 1999, the aggregate market value of the Filer's Equity Securities, excluding the Shares held by Insiders, calculated in accordance with NP 47 and the QRRS was \$3,855,824 (based on an average closing price for the month of July of \$0.34), making the Filer ineligible to participate in the POP System.
8. The Filer completed a private placement of units consisting of a \$325,000 8% secured convertible demand debenture (the "Debenture") and 812,500 common share purchase warrants (the "Warrants") on January 20, 2000. The Debenture and the Warrants are convertible into a maximum of 2,137,500 Common Shares at a price of \$0.20 per Common Share. The Filer received proceeds from this private placement of

\$325,000. On February 22, 2000, the Warrants were exercised for aggregate gross proceeds of \$162,500.

9. On March 13, 2000, the Filer completed a private placement of 930,000 special warrants plus 93,000 compensation warrants (the "Special Warrant Offering") pursuant to an underwriting agreement with Yorkton Securities Inc. . The Special Warrants are convertible for 1,023,000 common shares (the "Warrant Shares"), subject to adjustment in certain circumstances.
10. The Filer has agreed to qualify the Warrant Shares under a prospectus within 90 days from the completion of the Special Warrant Offering. The Filer has filed an initial annual information form and intends to subsequently file a preliminary short form prospectus under the POP System if permitted. Otherwise, the Filer must file a long-form prospectus in order to fulfil its obligations pursuant to the Special Warrant Offering.
11. As at February 29, 2000, the aggregate market value of the Filer's Equity Securities calculated in accordance with NP 47 and QRRS was \$180,062,320 (based on an average closing trading price for the month of February, 2000 of \$12.4238). The closing price for the Common Shares for the month of February, 2000 has ranged from \$7.30 to \$15.20 per Common Share. As at March 20, 2000 the aggregate market value of the Filer's Equity Securities calculated in accordance with NP47 and QRRS was \$220,878,456 (based on an average closing trading price for the period from March 1, 2000 of \$15.24). The closing price for the Common Shares for the period from March 1, 2000 to March 20, 2000 has ranged from \$12.00 to \$19.90.
12. The Filer would be eligible to be a part of the POP System if the market value of its Equity Securities was calculated as of February 29, 2000.
13. The Filer is of the view that, in the circumstances, a short form prospectus would be the most appropriate vehicle for the offering described in paragraph 10 above. The Filer believes that filing an annual information form under the POP System, followed by a preliminary short form prospectus will be more time efficient, cost effective and result in a more complete public disclosure record than would a long form prospectus.
14. The Filer has developed a substantial market following as a result of having completed the aforementioned private placement and internal restructurings. The Common Shares are widely held, such that based upon information available to the Filer, there are no shares held by Insiders.
15. Under the Proposed National Instrument 44-101 the current calculations of the market value of an issuer's Equity Securities under NP 47 are replaced with a calculation as of a date within 60 days before the filing of the issuer's preliminary short form prospectus. The Filer undertakes not to file a preliminary short form prospectus until such time as the market value of its Equity Securities has been at least \$75,000,000 calculated in accordance with the

60 day period prescribed by Proposed National Instrument 44-101.

AND WHEREAS, pursuant to the System, this MRRS Decision Document evidences the decision of each of the Decision Makers (collectively, the "Decision");

AND WHEREAS, 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;

The Decision of the Decision Makers pursuant to the Legislation is that the Decision Makers waive the requirements of Section 4.1 (2)b) of NP 47 and Section 169 of the QRRS so that the Filer is eligible to participate in the POP system provided that:

- (i) the Filer complies with all the eligibility requirements of NP 47 and the QRRS;
- (ii) the aggregate market value of the Equity Securities of the Filer, calculated in accordance with section 4.1(2) of NP 47 and Section 169 of the QRRS is \$75,000,000 or more on a date within 60 days before the filing of the preliminary short form prospectus;
- (iii) the eligibility certificate to be filed in respect of the File's Initial AIF shall state that the Filer satisfies the eligibility criteria set out in the legislation and shall make reference to this waiver; and
- (iv) this waiver shall terminate on the earlier of: (a) 140 days after the end of the Filer's financial year ended August 4, 2000, and (b) the date of filing a Renewal AIF (as defined in NP 47) by the Filer in respect of its financial year ending August 4, 2000.

DATED at Montréal on May 9th, 2000.

"Jacques Labelle"

**DANS L'AFFAIRE DE LA LÉGISLATION EN VALEURS
MOBILIÈRES
DE L'ONTARIO, DE L'ALBERTA, DE LA COLOMBIE-
BRITANNIQUE, DU MANITOBA ET DU QUÉBEC**

ET

**DANS L'AFFAIRE DU RÉGIME D'EXAMEN CONCERTÉ
DES DEMANDES DE DISPENSE**

ET

DANS L'AFFAIRE DE NHC COMMUNICATIONS INC..

DOCUMENT DE DÉCISION DU REC

CONSIDÉRANT QUE l'autorité locale en valeurs mobilières ou l'agent responsable (le « décideur ») respectif de l'Ontario, de l'Alberta, de la Colombie-Britannique, du Manitoba et du Québec (les « territoires ») a reçu une demande de NHC Communications Inc. (le « déposant ») pour une décision en vertu de l'article 4.5 de l'Instruction générale canadienne n° 47 (l'« IGC 47 ») et de la législation en valeurs mobilières des territoires (la « législation »), en vue d'obtenir une dispense de l'application des dispositions de l'alinéa 4.1(2)b) de l'IGC 47 et de l'article 169 du Règlement sur les valeurs mobilières du Québec (« RVMQ ») afin de permettre au déposant d'être admissible au régime du prospectus simplifié (le « régime du prospectus simplifié »);

QUE, selon le régime d'examen concerté des demandes de dispense (le « régime »), la *Commission des valeurs mobilières du Québec* est l'autorité principale pour la présente demande;

QUE le déposant a déclaré aux décideurs ce qui suit:

1. Le déposant est une société constituée en vertu des lois du Canada.
2. Le déposant est un émetteur assujéti en Ontario depuis le 31 mai 1990, au Québec depuis le 13 février 1990, en Alberta depuis le 31 mai 1990 et en Colombie-Britannique depuis le 17 février 1986 (les « territoires visés ») et il n'est pas en défaut de ses obligations en vertu de la législation.
3. Le capital autorisé du déposant consiste en un nombre illimité d'actions ordinaires (les « actions ordinaires ») et un nombre illimité d'actions privilégiées (les « actions privilégiées ») dont, en date du 30 juillet 1999, soit la fin d'exercice la plus récente de NHC, 12 615 659 actions ordinaires étaient émises et en circulation, et aucune action privilégiée ne l'était. En date du 30 juillet 1999, 1 275 000 actions ordinaires étaient la propriété véritable, directement ou indirectement, ou étaient sous le contrôle ou la haute main de personnes qui, individuellement ou collectivement avec des personnes du même groupe que celles-ci ou des personnes qui ont un lien avec celles-ci, respectivement (au sens de l'IGC 47 et du RVMQ) détiennent ou exercent le contrôle ou la haute main sur plus de 10 % des actions ordinaires (les « initiés »).

4. En date du 29 février 2000, 14 493 337 actions ordinaires étaient émises et en circulation, et aucune action privilégiée ne l'était. À cette date, aucune action ordinaire n'était détenue par des initiés.
5. Les actions ordinaires sont cotées et négociées à la Bourse de Toronto (la « Bourse de Toronto ») sous le symbole « NHC ».
6. La fin de l'exercice financier du déposant chaque année est le vendredi 30 juillet ou le vendredi suivant. Pour l'exercice financier 1999, sa fin d'exercice était le 30 juillet, et pour l'exercice financier 2000, sa fin d'exercice sera le 4 août.
7. En date du 30 juillet 1999, la valeur marchande globale des titres de participation de NHC, à l'exclusion des actions détenues par des initiés, calculée conformément à l'IGC 47 et le RVMQ, s'établissait à 3 855 824 \$ (d'après un cours de clôture moyen de 0,34 \$ pour le mois de juillet), ce qui faisait en sorte que le déposant n'était pas admissible au régime du prospectus simplifié.
8. Le déposant a réalisé un placement privé d'unités consistant en une débenture de 325 000 \$ 8 % convertible garantie (la « débenture ») et 812 500 bons de souscription d'actions ordinaires (les « bons de souscription ») le 20 janvier 2000. La débenture et les bons de souscription sont convertibles en un maximum de 2 137 500 actions ordinaires au prix de 0,20 \$ l'action ordinaire. Le déposant a reçu un produit de 325 000 \$ par suite de ce placement privé. Le 22 février 2000, les bons de souscription ont été exercés moyennant un produit brut global de 162 500 \$.
9. Le 13 mars 2000, le déposant a réalisé un placement privé de 930 000 bons de souscription spéciaux plus 93 000 bons de souscription accordés à titre de rémunération (le « placement des bons de souscription spéciaux ») aux termes d'une convention de prise ferme conclue avec Yorkton Valeurs Mobilières Inc. Les bons de souscription spéciaux sont convertibles en 1 023 000 actions ordinaires (les « actions rattachées aux bons de souscription »), sous réserve d'un rajustement dans certaines circonstances.
10. Le déposant s'est engagé à qualifier l'émission des actions rattachées aux bons de souscription spéciaux au moyen d'un prospectus dans les 90 jours suivant la réalisation du placement des bons de souscription spéciaux. Le déposant a déposé une notice annuelle initiale et a l'intention de déposer subséquemment un prospectus simplifié provisoire dans le cadre du régime du prospectus simplifié, s'il est autorisé à le faire. Autrement, le déposant doit déposer un prospectus ordinaire afin de s'acquitter de ses obligations aux termes du placement des bons de souscription spéciaux.
11. En date du 29 février 2000, la valeur marchande globale des titres de participation du déposant calculée conformément à l'IGC 47 et le RVMQ s'établissait à 180 062 320 \$ (d'après un cours de clôture moyen de 12,4238 \$ pour le mois de février). Le cours de clôture

des actions ordinaires pour le mois de février 2000 a varié entre 7,30 \$ et 15,20 \$ l'action ordinaire. En date du 20 mars 2000, la valeur marchande globale des titres de participation du déposant calculée conformément à l'IGC 47 et le RVMQ s'établissait à 220 878 456 \$ (d'après un cours de clôture de 15,24 \$ pour la période du 1^{er} mars 2000 au 20 mars 2000). Pour la période du 1^{er} mars 2000 au 20 mars 2000, le cours de clôture des actions ordinaires a varié entre 12,00 \$ à 19,90 \$.

12. Le déposant serait admissible à participer au régime du prospectus simplifié si la valeur marchande de ses titres de participation était calculée en date du 29 février 2000.
13. Le déposant estime que, dans les circonstances, un prospectus simplifié serait le moyen le plus approprié pour réaliser le placement décrit au paragraphe 10 ci-dessus. Le déposant croit que le dépôt d'une notice annuelle dans le cadre du régime du prospectus simplifié, suivi d'un prospectus simplifié provisoire prendrait moins de temps, coûterait moins cher et donnerait un dossier d'information plus complet qu'un prospectus ordinaire.
14. Le déposant a suscité un intérêt important dans le marché après la réalisation du placement privé susmentionné et des restructurations internes. Les actions ordinaires sont détenues par un grand nombre d'actionnaires de sorte que, d'après les renseignements dont le déposant dispose, il n'y a pas d'actions détenues par des initiés.
15. Aux termes du projet de norme canadienne 44-101, les calculs actuels de la valeur marchande des titres de participation d'un émetteur aux termes de l'IGC 47 sont remplacés par un calcul à une date qui tombe dans les 60 jours précédant le dépôt du prospectus simplifié provisoire de l'émetteur en cause. Si la demande de dispense est accordée, le déposant s'engage à ne pas déposer de prospectus simplifié provisoire tant que la valeur marchande de ses titres de participation n'aura pas atteint au moins 75 000 000 \$, calculée conformément au délai de 60 jours prescrit par le projet de norme canadienne 44-101.

QUE, selon le régime, le présent document de décision du REC confirme la décision de chaque décideur (collectivement, la «décision»);

ET QUE chacun des décideurs est d'avis que le test prévu dans la législation qui accorde le pouvoir discrétionnaire au décideur a été respecté;

La décision des décideurs en vertu de la législation est que le déposant soit dispensé de l'application des exigences de l'alinéa 4.1(2)b) de l'IGC 47 et de l'article 169 du RVMQ afin de lui permettre de participer au régime du prospectus simplifié aux conditions suivantes :

- i) le déposant se conforme à toutes les exigences d'admissibilité de l'IGC 47 et du RVMQ;
- ii) la valeur marchande globale des titres de participation du déposant, calculée

conformément au paragraphe 4.1(2) de l'IGC 47 et l'article 169 du RVMQ soit de 75 000 000 \$ ou plus à une date qui tombe dans les 60 jours précédant le dépôt du prospectus simplifié provisoire;

- (iii) le certificat d'admissibilité qui doit être déposé à l'égard de la notice annuelle initiale du déposant doit indiquer que le déposant satisfait les critères d'admissibilité de la législation et doit mentionner la présente dispense;
- (iv) la présente dispense prend fin au plus rapproché des moments suivants : a) 140 jours après la fin de l'exercice du déposant terminé le 4 août 2000 et b) la date de dépôt d'une notice annuelle de renouvellement (au sens de l'IGC 47) par le déposant à l'égard de son exercice terminé le 4 août 2000.

FAIT à Montréal, le 9 mai 2000

Le directeur général et chef de l'exploitation

"Jacques Labelle"

2.1.10 Nortel Networks Corporation - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications - relief for officers and directors of certain subsidiaries of reporting issuer from the insider reporting requirements, subject to certain conditions - relief for officers and directors of reporting issuer and of any subsidiary of reporting issuer from the insider reporting requirements with respect to the acquisition of securities under various automatic share purchase plans, subject to certain conditions, including annual reporting.

Applicable Ontario Statutory Provisions

Securities Act, R.S.O. 1990, c.S.5, as amended, ss. 1(1), 107, 108, 121(2)(a)(ii).

Applicable Ontario Regulations

Regulation made under the *Securities Act*, R.R.O. 1990, Reg. 1015, as amended, Part VIII.

Applicable Ontario Policy Statements

Ontario Securities Commission Policy Statement No. 10.1.

**IN THE MATTER OF THE SECURITIES LEGISLATION
OF BRITISH COLUMBIA, ALBERTA, MANITOBA,
ONTARIO, QUEBEC,
AND NOVA SCOTIA**

AND

**IN THE MATTER OF THE
MUTUAL RELIANCE REVIEW SYSTEM
FOR EXEMPTIVE RELIEF APPLICATIONS**

AND

**IN THE MATTER OF
NORTEL NETWORKS CORPORATION**

MRRS DECISION DOCUMENT

WHEREAS the Canadian securities regulatory authority or regulator (the "Decision Maker" or, collectively, the "Decision Makers") in each of British Columbia, Alberta, Manitoba, Ontario, Quebec and Nova Scotia (the "Jurisdictions") has received an application from Nortel Networks Corporation ("Nortel Networks") for a decision, pursuant to the securities legislation of the Jurisdictions (the "Legislation"), that the requirement in the Legislation to file insider reports shall not apply to: (i) certain directors and senior officers of certain subsidiaries of Nortel Networks; and (ii) certain directors and senior officers of Nortel Networks or any of its subsidiaries with respect to their acquisition of securities of Nortel Networks pursuant to various automatic securities purchase plans;

AND WHEREAS pursuant to the Mutual Reliance Review System for Exemptive Relief Applications (the "System"), the Ontario Securities Commission is the principal regulator for this application;

AND WHEREAS Nortel Networks has represented to the Decision Makers that:

1. Nortel Networks Limited ("NNL") is a corporation incorporated under the *Canada Business Corporations Act* (the "CBCA"), is a reporting issuer in the Jurisdictions where such concept exists and, to the best of its knowledge, is not in default of any of the requirements of the Legislation.
2. The authorized share capital of NNL consists of an unlimited number of common shares ("NNL Common Shares") and an unlimited number of Class A Preferred Shares and Class B Preferred Shares issuable in series.
3. As at March 31, 2000, 1,455,288,912 NNL Common Shares were issued and outstanding.
4. Nortel Networks is a corporation incorporated under the CBCA, is a reporting issuer in the Jurisdictions where such concept exists, other than Newfoundland, and, to the best of its knowledge, is not in default of any of the requirements of the legislation.
5. The authorized share capital of Nortel Networks consists of an unlimited number of common shares ("Nortel Networks Common Shares") and an unlimited number of Class A Preferred Shares and Class B Preferred Shares issuable in series.
6. The Nortel Networks Common Shares are listed and posted for trading on the Toronto and New York stock exchanges.
7. NNL, Nortel Networks and BCE Inc., among others, entered into an arrangement (the "Arrangement") under the CBCA, effective May 1, 2000 (the "Effective Date").
8. Pursuant to the Arrangement, all of the NNL Common Shares were acquired by Nortel Networks on the Effective Date and the sole assets of Nortel Networks as at such date were the NNL Common Shares.
9. Pursuant to the Arrangement, in exchange for their NNL Common Shares held immediately prior to the Effective Date, holders thereof received Nortel Networks Common Shares.
10. Prior to the Effective Date, NNL maintained various stock dividend and share purchase plans which provided for the acquisition of NNL Common Shares thereunder by employees, officers and directors of NNL and its subsidiaries, including the following plans: (1) the Nortel Networks Limited Shareholder Dividend Reinvestment and Stock Purchase Plan (the "DRIP"); (2) the NNL Global Employee Stock Purchase Plan (the "Global ESPP"); and (3) the NNL Stock Purchase Plan (the "ESPP" and, together with the DRIP and the Global ESPP, the "NNL Plans").

11. NNL also maintained the following plans (the "NNL Unit Plans") for certain employees, officers and directors of NNL and its subsidiaries: (1) the Nortel Networks Limited Directors' Deferred Share Compensation Plan (the "DDSCP"); (2) the Nortel Networks Limited Investment Plan for Employees—Canada (the "IPEC"); and (3) the Nortel Networks Inc. Long-Term Investment Plan (the "LTIP").
12. On the Effective Date, the NNL Plans were either assumed by Nortel Networks or amended (the "Nortel Networks Plans"), and, in each case, provide for the acquisition thereunder of Nortel Networks Common Shares instead of NNL Common Shares.
13. On the Effective Date, the NNL Unit Plans were amended (the "Nortel Networks NNL Unit Plans") such that holders of Units thereunder shall be entitled to receive Nortel Networks Common Shares, in accordance with the terms of such plans, as opposed to NNL Common Shares.
14. The DRIP is an automatic securities purchase plan that enables holders of record of Nortel Networks Common Shares who are participants therein to acquire Nortel Networks Common Shares quarterly by reinvesting all (but not less than all) cash dividends paid on the Nortel Networks Common Shares held of record by such participants pursuant to the DRIP.
15. The DRIP also permits participants to purchase Nortel Networks Common Shares quarterly with optional cash payments ("Cash Contributions") of between U.S.\$40 and U.S.\$5,000 per quarter (or the equivalent amount in Canadian currency).
16. Montreal Trust Company of Canada (the "Administrator") has been appointed as the administrator of the DRIP. The Administrator receives all cash dividends paid on Nortel Networks Common Shares held of record by participants in the DRIP and Cash Contributions made by participants, purchases Nortel Networks Common Shares directly from Nortel Networks on behalf of participants on the last business day of each quarter and holds such shares on behalf of participants.
17. The number of Nortel Networks Common Shares acquired by participants under the DRIP, the timing of acquisitions of the Nortel Networks Common Shares and the price paid for such shares are established by a procedure set out in the DRIP, and acquisitions of Nortel Networks Common Shares pursuant to the DRIP (other than Nortel Networks Common Shares acquired with Cash Contributions) are made by the Administrator directly from Nortel Networks, without any direction from a participant.
18. The Global ESPP is an automatic securities purchase plan that facilitates the acquisition and retention of Nortel Networks Common Shares by eligible employees of Nortel Networks, its subsidiaries and certain designated associates.
19. The Global ESPP permits participants to make contributions through payroll deductions of between 1% and 6% of their eligible earnings. A participant's employer makes contributions under the plan on behalf of the participant in an amount equal to 50% of the participant's contributions.
20. A plan custodian appointed under the Global ESPP receives the employee contributions, the employer contributions and any dividends paid on Nortel Networks Common Shares held by participants under the Global ESPP, causes purchases of Nortel Networks Common Shares to be made monthly on the New York Stock Exchange on behalf of participants, and may hold such shares for participants in designated accounts.
21. The number of Nortel Networks Common Shares acquired by participants under the Global ESPP, the timing of acquisitions of the Nortel Networks Common Shares and the price paid for such shares are established by a procedure set out in the Global ESPP, and acquisitions of Nortel Networks Common Shares pursuant to the Global ESPP are made by the plan custodian on the open market without any direction from a participant.
22. The ESPP is an automatic securities purchase plan that facilitates the acquisition and retention of Nortel Networks Common Shares by eligible employees of Nortel Networks, its subsidiaries and certain other designated corporations.
23. The ESPP permits participants to make contributions through payroll deductions of between 1% and 10% of their eligible earnings. A participant's employer makes contributions under the plan on behalf of the participant in an amount such that the acquisition cost of a Nortel Networks Common Share to a (North American) participant will be equal to 85% of the average of the actual prices at which the Nortel Networks Common Shares are purchased under the ESPP for the relevant period.
24. A plan custodian appointed under the ESPP receives the employee contributions, the employer contributions and any dividends paid on Nortel Networks Common Shares held by participants under the Global ESPP, causes purchases of Nortel Networks Common Shares to be made quarterly on the Toronto and/or New York stock exchanges on behalf of participants, and may hold such shares for participants in designated accounts.
25. The number of Nortel Networks Common Shares acquired by participants under the ESPP, the timing of acquisitions of the Nortel Networks Common Shares and the price paid for such shares are established by a procedure set out in the ESPP, and acquisitions of Nortel Networks Common Shares pursuant to the ESPP are made by the plan custodian on the open market without any direction from a participant.
26. The DDSCP is an automatic securities purchase plan that assists Nortel Networks in attracting and retaining individuals with experience and ability to serve as

- members of its board of directors and to promote a greater alignment of interests between non-employee directors and the shareholders of Nortel Networks.
27. The DDSCP provides that non-employee directors of Nortel Networks who participate thereunder will receive 100% of their annual retainer fees (payable quarterly) in the form of units, in lieu of cash. In addition, at the discretion of the committee of the board of directors of Nortel Networks appointed to administer the DDSCP, participants may elect to receive any other fees payable in respect of services to be rendered by such participants in their capacity as directors that would otherwise be payable in cash in the form of units. All non-employee directors are encouraged to participate in the DDSCP and, with the exception of one, all non-employee directors participate therein.
28. Participants in the DDSCP are also credited with an applicable number of additional units when dividends are declared and paid on Nortel Networks Common Shares.
29. Subject to the terms and conditions of the DDSCP, each unit allocated to a participant represents his or her entitlement to receive, on a specified date as determined in accordance with the terms of the DDSCP, a Nortel Networks Common Share when he or she ceases to be a director of Nortel Networks and is neither an employee nor a director of Nortel Networks or one of its subsidiaries.
30. Purchases of Nortel Networks Common Shares pursuant to the DDSCP are made on the open market by an appropriately registered broker or dealer and the number of Nortel Networks Common Shares acquired, the timing of such acquisitions and the price in respect thereof are determined without any direction from participants under the DDSCP.
31. The IPEC is an automatic securities purchase plan that permits eligible employees of Nortel Networks and certain designated affiliates to make contributions to the plan through payroll deductions in amounts equal to 2%, 3%, 4%, 5% or 6% of their eligible earnings. Nortel Networks also makes contributions on behalf of participants in amounts equal to 50%, 60% or 100% of such participants' contributions, depending upon which benefits program participants elect to participate in under the IPEC.
32. Participants in the IPEC may also make additional contributions, under certain circumstances, of 1% of their eligible earnings through payroll deductions and in the form of lump sum payments (such lump sum payments, also "Cash Contributions").
33. All contributions made by and on behalf of participants are invested, at the direction of participants, in one or more investment funds held by Sun Life Assurance Company of Canada ("Sun Life"), one of which (the "Nortel Networks Fund") is a segregated fund which is invested in Nortel Networks Common Shares.
34. Contributions made to the Nortel Networks Fund by and on behalf of participants are converted into units of the Nortel Networks Fund and credited to participants' accounts under the IPEC. Units of the Nortel Networks Fund accumulated by participants represent their entitlement to receive, at their election, Nortel Networks Common Shares, in accordance with the terms of the IPEC.
35. Sun Life purchases and sells Nortel Networks Common Shares on the open market or by private transaction, as required to administer and fund the Nortel Networks Fund.
36. The number of Nortel Networks Common Shares acquired by Sun Life in connection with the Nortel Networks Fund, the timing of such acquisitions and the price in respect thereof are determined by Sun Life in its discretion, without any direction from participants under the IPEC.
37. The LTIP is an automatic securities purchase plan the purpose of which is to encourage the accumulation of personal savings by eligible employees for their retirement.
38. The LTIP permits eligible employees of Nortel Networks Inc. and certain subsidiaries and affiliates to make contributions under the plan of between 1% and 15% of their eligible earnings, subject to certain annual dollar limitations. Nortel Networks Inc. also makes contributions on behalf of participants in amounts equal to 60% of such participants' contributions.
39. A participant under the LTIP may also make a rollover contribution under the LTIP with funds transferred from an employee pension benefit plan in which he or she previously participated.
40. All contributions made by and on behalf of participants under the LTIP are invested, at the direction of participants, in one or more investment funds, one of which (the "Nortel Networks Fund") invests primarily in Nortel Networks Common Shares.
41. The value of each participant's investment in the Nortel Networks Fund is represented by units of the Nortel Networks Fund which are credited to participants' accounts under the LTIP (units accumulated by participants under the DDSCP, the IPEC and the LTIP are collectively referred to herein as "Units").
42. Contributions made by and on behalf of participants under the LTIP may, at the discretion of participants and in accordance with the terms of the LTIP, be withdrawn from the LTIP in the form of Nortel Networks Common Shares.
43. A trustee is appointed under the LTIP to oversee the LTIP, maintain participant accounts and pay benefits to participants thereunder.
44. The trustee purchases and sells Nortel Networks Common Shares as necessary to implement the provisions of the LTIP and the Nortel Networks

Common Shares purchased in connection with the Nortel Networks Fund, the price paid for the Nortel Networks Common Shares and the timing of such acquisitions are made by the trustee without any direction from participants.

45. The number of Nortel Networks Common Shares that may be acquired under the Nortel Networks Plans and the Nortel Networks Unit Plans is and will be *de minimis* in relation to the number of Nortel Networks Common Shares outstanding at the time of acquisition under such plans.
46. Pursuant to existing orders granted by the Decision Makers, certain directors and senior officers of subsidiaries of NNL are, and the acquisition of securities of NNL by directors and senior officers of NNL and its subsidiaries under the NNL Plans and the NNL Unit Plans is, in certain circumstances, exempt from the Insider Reporting Requirement.
47. The companies listed in the attached appendix ("Appendix A") are all subsidiaries ("Major Subsidiaries") of Nortel Networks that have, as reflected in the most recent annual audited financial statements of NNL filed with the Decision Makers in the Jurisdictions, either: (i) assets, on a consolidated basis with its subsidiaries, representing 10 percent or more of the consolidated assets of NNL shown on the balance sheet; or (ii) revenues, on a consolidated basis with its subsidiaries, representing 10 percent or more of the consolidated revenues of NNL shown on the statement of income and loss.
48. Nortel Networks undertakes to maintain a list of directors and senior officers exempted by this Decision (as hereinafter defined) and the basis upon which each of the directors and senior officers comes within the terms of the Decision, to maintain a continuing review of the facts contained in the representations upon which this Decision is made and, upon the request of any of the Decision Makers or their staff, to provide any information necessary to determine whether a director or senior officer of any subsidiary of Nortel Networks is or is not exempted by this Decision.
49. Nortel Networks undertakes to promptly advise the Commission des valeurs mobilières du Québec (the "Québec Commission") of the name of every director and senior officer who becomes, or ceases to be, exempted by this Decision.
50. Directors and senior officers of Nortel Networks and its subsidiaries (the "Participating Insiders") may be participants in one or more of the Nortel Networks Plans and the Nortel Networks Unit Plans.

AND WHEREAS pursuant to the System this Decision Document evidences the decision of each Decision Maker (collectively, the "Decision").

AND WHEREAS 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.

THE DECISION of the Decision Makers pursuant to the Legislation is that:

- A. any person who is subject to the insider reporting requirements of the Legislation due to the fact that he or she is a director or senior officer of a subsidiary of Nortel Networks, other than a Major Subsidiary listed in Appendix A, is exempt from the insider reporting requirements with respect to his or her ownership of or control or direction over securities of Nortel Networks, provided that the exemption contained in this Decision Document shall not apply to a person who:
 - (a) in the ordinary course receives notice of or information as to material facts or material changes with respect to Nortel Networks prior to general disclosure to the public of such facts or changes;
 - (b) becomes a director or senior officer of Nortel Networks or a Major Subsidiary as listed in Appendix A, or a company which, after the date hereof, becomes a Major Subsidiary;
 - (c) is or becomes an insider of Nortel Networks in a capacity other than as a director or senior officer of a subsidiary of Nortel Networks; or
 - (d) is denied the exemptions contained in this Decision Document by another decision of the Decision Makers or any one of them; and
- B. the requirement contained in the Legislation to file insider reports, in connection with the acquisition of Nortel Networks Common Shares pursuant to a Nortel Networks Plan or Units pursuant to a Nortel Networks Unit Plan (other than Nortel Networks Common Shares or Units acquired with Cash Contributions, which acquisitions shall be reported within the time required by the Legislation), as the case may be, shall not apply to any Participating Insider who is subject to the insider reporting requirements due to the fact that he or she is a director or senior officer of Nortel Networks or any subsidiary of Nortel Networks, including a Major Subsidiary, provided that, in each case:
 - (a) for any Nortel Networks Common Shares acquired under a Nortel Networks Plan or Units acquired under a Nortel Networks Unit Plan, as the case may be, which, during a financial year of Nortel Networks, are disposed of or transferred, the Participating Insider files an insider report, within the time required by the Legislation for reporting the disposition or transfer, disclosing the acquisition of the Nortel Networks Common Shares under the Nortel Networks Plan or the Units under the Nortel Networks Unit Plan, as the case may be, that have not previously been reported by or on behalf of the Participating Insider;
 - (b) for any Nortel Networks Common Shares acquired under the Nortel Networks Plan or Units acquired under the Nortel Networks Unit Plan, as the case may be, which, during a

financial year of Nortel Networks, have not been disposed of or transferred, the Participating Insider files an insider report, within 90 days of the end of the financial year of Nortel Networks, disclosing the acquisition of all Nortel Networks Common Shares under the Nortel Networks Plan and/or all Units under the Nortel Networks Unit Plan, as the case may be, during the 12-month period ending the preceding December 31, that have not previously been reported by or on behalf of the Participating Insider;

- (c) in all Jurisdictions except Quebec, the Participating Insider does not beneficially own, directly or indirectly, voting securities of Nortel Networks, or exercise control or direction over voting securities of Nortel Networks, or a combination of both, that carry more than 10 percent of the voting rights attaching to all outstanding voting securities of Nortel Networks; and
- (d) in Quebec, the Participating Insider does not exercise control over more than 10 percent of a class of shares of Nortel Networks to which are attached voting rights or an unlimited right to a share of the profits of Nortel Networks and in its assets in case of winding-up.

PROVIDED THAT the Decision of the Decision Makers contained in this Decision Document will terminate on the date that proposed National Instrument 55-101 Exemption from Certain Insider Reporting Requirements comes into force.

May 11th, 2000.

"Iva Vranic"

APPENDIX A

The Major Subsidiaries of Nortel Networks Corporation are:

Nortel Networks Limited
Nortel Networks Inc.
Nortel Networks plc
Nortel Networks NA Inc.

2.1.11 Oralife Group, Inc., The - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications - Following takeover, acquiror holding all outstanding units of issuer - issuer deemed to have ceased to be a reporting issuer.

Applicable Ontario Statutory Provisions

Securities Act, R.S.O. 1990, c.S.5, as am. s. 83

**IN THE MATTER OF
THE SECURITIES LEGISLATION
OF BRITISH COLUMBIA, ALBERTA, SASKATCHEWAN,
ONTARIO, QUEBEC, NOVA SCOTIA, NEW BRUNSWICK
PRINCE EDWARD ISLAND AND NEWFOUNDLAND**

AND

**IN THE MATTER OF
THE MUTUAL RELIANCE REVIEW SYSTEM
FOR EXEMPTIVE RELIEF APPLICATIONS**

AND

**IN THE MATTER OF
THE ORALIFE GROUP, INC.**

MRRS DECISION DOCUMENT

WHEREAS the local securities regulatory authority or regulator (the "Decision Maker") in British Columbia, Alberta, Saskatchewan, Ontario, Québec, Nova Scotia New Brunswick, Prince Edward Island and Newfoundland (the "Jurisdictions") has received an application from The Oralife Group, Inc. ("Oralife") for a decision pursuant to the securities legislation of the Jurisdictions (the "Legislation") that Oralife be deemed to have ceased to be a reporting issuer or the equivalent under the Legislation;

AND WHEREAS pursuant to the Mutual Reliance Review System for Exemptive Relief Application (the "System"), the Ontario Securities Commission is the Principal Regulator for this application;

AND WHEREAS Oralife has represented to the Decision Makers that:

1. Oralife was incorporated on January 28, 1988 pursuant to the laws of Canada;
2. Oralife is a reporting issuer, or the equivalent thereof, under the Legislation;
3. on November 30, 1999, Nordic Acquisitions Corporation ("Nordic") made an offer to purchase all the outstanding Oralife Common Shares ("Shares") through a takeover bid circular;

4. on January 14, 2000, Nordic took up and paid for approximately 92% of the outstanding Oralife Shares validly deposited under the offer;
5. Nordic acquired the remaining outstanding Oralife Shares pursuant to the compulsory acquisition provisions of the *Business Corporations Act (Ontario)* on March 8, 2000;
6. as a result of the takeover bid and subsequent compulsory acquisition procedures, Nordic is the sole shareholder or Oralife;
7. Oralife has no outstanding securities other than the shares owned by Nordic;
8. The Oralife Shares are no longer listed for trading on any stock exchange in Canada;
9. Nordic has no plans to make an offering of Oralife shares to the public should this order be granted;
10. Oralife is not in default of its obligations as a reporting issuer under the Legislation except as follows:
 - (a) Oralife is in default of the Legislation of each of the Jurisdictions in respect of the non-filing in the Jurisdictions of an interim financial statement that was due on March 31, 2000; and
 - (b) Oralife did not file in any of the Jurisdictions the Annual Information Forms for the years ended July 31, 1998 and 1999, and did not file in any of the Jurisdictions the Management Discussion & Analysis for the year ended July 31, 1999.

AND WHEREAS pursuant to the System this MRRS Decision Document evidences the decision of each Decision Maker (collectively, the "Decision");

AND WHEREAS 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;

The Decision of the Decision Makers pursuant to the Legislation is that Oralife is deemed to have ceased to be a reporting issuer or the equivalent under the Legislation.

April 28th, 2000.

"Margo Paul"

2.1.12 OSF Inc. - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications - issuer has less than 15 security holders - issuer deemed to have ceased to be a reporting issuer.

Statutes Cited

Securities Act, R.S.O. 1990, c.S.5, as am., ss. 83.

IN THE MATTER OF
THE SECURITIES LEGISLATION OF
ALBERTA, BRITISH COLUMBIA, NEWFOUNDLAND,
NOVA SCOTIA, ONTARIO, QUEBEC AND
SASKATCHEWAN

AND

IN THE MATTER OF
THE MUTUAL RELIANCE REVIEW SYSTEM
FOR EXEMPTIVE RELIEF APPLICATIONS

AND

IN THE MATTER OF
OSF INC.

MRRS DECISION DOCUMENT

WHEREAS the local securities regulatory authority or regulator (the "Decision Maker") in each of Alberta, British Columbia, Newfoundland, Nova Scotia, Ontario, Quebec and Saskatchewan (the "Jurisdictions") has received an application from OSF Inc. (the "Filer" or "Amalgamated OSF") for a decision under the securities legislation of the Jurisdictions (the "Legislation") that the Filer be deemed to have ceased to be a reporting issuer in each of the Jurisdictions;

AND WHEREAS under the Mutual Reliance System for Exemptive Relief Applications (the "System"), the Ontario Securities Commission is the principal regulator for this application;

AND WHEREAS the Filer has represented to the Decision Makers that:

1. Amalgamated OSF was formed pursuant to articles of amalgamation under the *Business Corporations Act* (Ontario) (the "OBCA") on March 21, 2000.
2. The head office of the Filer is located at 650 Barmac Drive, Weston, Ontario.
3. Amalgamated OSF is a reporting issuer, or its equivalent, under the Legislation.
4. Amalgamated OSF is authorized to issue an unlimited number of common shares (the "Common Shares"), of which there are currently 9,200,000 issued and outstanding.

5. As a result of a take-over bid by O Acquisition Corp. ("OAC") and the subsequent compulsory acquisition under the provisions of the OBCA, OAC acquired all of the common shares of OSF Inc. ("Original OSF"), a predecessor to Amalgamated OSF.
6. Immediately following the acquisition, Original OSF amalgamated with OAC under the OBCA to form Amalgamated OSF.
7. All of the Common Shares are owned by O Intermediate Corp. ("OIC"), the parent company of Amalgamated OSF.
8. The common shares of Original OSF were delisted from The Toronto Stock Exchange on March 10, 2000. The Filer does not have any of its securities listed on any of the exchanges in Canada.
9. The Filer has an outstanding debenture (the "Debenture") held by O Holding Corp. ("OHC"). OHC is the parent company of OIC and is not a reporting issuer. The Filer has advised OHC that it has applied for a decision to be deemed to have ceased to be a reporting issuer in each of the Jurisdictions and OHC has indicated that it has no objections to the said application.
10. The Debenture is not convertible into Common Shares.
11. Other than the Common Shares and the Debenture, the Filer does not have any other outstanding securities.
12. The Filer is not in default of any requirement of the Legislation.
13. The Filer does not intend to seek public financing by way of an offer of its securities.

AND WHEREAS under the System, this MRRS Decision Document evidences the decision of each Decision Maker (collectively, the "Decision");

AND WHEREAS 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;

The Decision of the Decision Makers under the Legislation is that the Filer be deemed to have ceased to be a reporting issuer in each of the Jurisdictions.

May 16th, 2000.

"Iva Vranic"

**2.1.13 Points North Digital Technologies, Inc. -
MRRS Decision**

**IN THE MATTER OF
THE SECURITIES LEGISLATION
OF THE PROVINCES OF SASKATCHEWAN,
ONTARIO, ALBERTA AND BRITISH COLUMBIA**

AND

**IN THE MATTER OF
THE MUTUAL RELIANCE REVIEW
SYSTEM FOR EXEMPTIVE RELIEF APPLICATIONS**

AND

**IN THE MATTER OF
POINTS NORTH DIGITAL TECHNOLOGIES, INC.**

MRRS DECISION DOCUMENT

WHEREAS the Canadian securities regulatory authority or regulator (the "Decision Maker") in each of Saskatchewan, Ontario, Alberta and British Columbia (the "Jurisdictions") has received an application from Points North Digital Technologies, Inc. (the "Filer") for a decision under the securities legislation of the Jurisdictions (the "Legislation") that the requirement contained in the Legislation for a reporting issuer to send to its shareholders (the "Shareholders") its interim financial statements and annual financial statements (collectively the "Financial Statements") concurrently with the filing of the Financial Statements in each Jurisdiction as required by the Legislation shall not apply to the Filer;

AND WHEREAS under the Mutual Reliance Review System for Exemptive Relief Applications (the "System"), the Saskatchewan Securities Commission is the principal regulator for this application;

AND WHEREAS the Filer has represented to the Decision Makers that:

1. The Filer was continued under the *Canada Business Corporations Act* effective January 1, 1997 pursuant to articles of amalgamation dated December 17, 1996;
2. The Filer is a reporting issuer under the Legislation and is not in default of any of the requirements of the Legislation or other legislation to which it is subject;
3. The Filer's authorized capital consists of an unlimited number of class "A" common shares (the "Common Shares") and an unlimited number of class "B" preference shares (the "Preferred Shares"), of which 14,081,369 Common Shares are outstanding and no Preferred Shares are outstanding as of March 31, 2000;
4. The Filer's financial year ends December 31;
5. The Common Shares are listed on the Canadian Venture Exchange and, prior thereto, the Common Shares traded over-the-counter and were quoted on the Canadian Dealing Network; and

6. The Filer proposes to file its annual Financial Statements for the year ended December 31, 1999 in each Jurisdiction via SEDAR prior to sending such annual Financial Statements to the Shareholders and proposes that it may, from time to time, file future Financial Statements in each Jurisdiction via SEDAR prior to sending such future Financial Statements to the Shareholders;

AND WHEREAS under the System, this MRRS Decision Document evidences the decision of each Decision Maker (collectively, the "Decision");

AND WHEREAS 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;

The Decision of the Decision Makers under the Legislation is that the requirement contained in the Legislation for a reporting issuer to send to the Shareholders the Financial Statements concurrently with the filing of the Financial Statements in each Jurisdiction as required by the Legislation shall not apply to the Filer provided that:

1. Substantially concurrently with the filing of the Financial Statements in accordance with the Legislation, the Filer issues a press release which includes:
 - a. The approximate date on which the Financial Statements will be mailed to the Shareholders; and
 - b. A statement to the effect that any Shareholder entitled to receive the Financial Statements may, upon request to the Filer, obtain a copy of the Financial Statements; and
2. The Financial Statements are sent to the Shareholders entitled to receive them in accordance with the procedures outlined in National Policy Statement No. 41 and, in any event, not later than the last date upon which they must be filed with the Jurisdictions in compliance with the Legislation.

DATED at Regina, Saskatchewan, on May 1, 2000.

"Marcel de la Gorgendière", Q.C.

2.1.14 Worldwide Fiber Inc. - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications -relief from prospectus requirements to an permit issuer and a selling shareholder to use the PREP Procedures under National Policy Statement No. 44 in connection with an initial public offering of securities of the issuer as neither the issuer nor its securities meet the eligibility criteria set out in National Policy Statement No. 44.

Applicable Ontario Statutory Provisions

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

Policies Cited

National Policy Statement No. 44.

**IN THE MATTER OF THE
SECURITIES LEGISLATION OF BRITISH
COLUMBIA, ALBERTA, SASKATCHEWAN,
MANITOBA, ONTARIO, QUEBEC, NEW BRUNSWICK,
NOVA SCOTIA, PRINCE EDWARD ISLAND AND
NEWFOUNDLAND**

AND

**IN THE MATTER OF THE
MUTUAL RELIANCE REVIEW SYSTEM
FOR EXEMPTIVE RELIEF APPLICATIONS**

AND

**IN THE MATTER OF
WORLDWIDE FIBER INC.

MRRS DECISION DOCUMENT**

WHEREAS the Canadian securities regulatory authority or regulator (the "Decision Maker") in each of the provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland (the "Jurisdictions") has received an application from Worldwide Fiber Inc. ("Worldwide") for a decision under the securities legislation of the Jurisdictions (the "Legislation") exempting Worldwide and a certain shareholder of Worldwide (the "Selling Shareholder") from the requirement to file and obtain a receipt for a preliminary prospectus and prospectus (the "Prospectus Requirement") in order to permit the use by Worldwide and the Selling Shareholder of the PREP Procedures, as defined in National Policy Statement No. 44 ("NP 44"), and similar procedures (the "Quebec Procedures") under the legislation of Quebec (the "Quebec Regulation"), in connection with Worldwide's proposed initial public offering of Class A Non-Voting Shares;

AND WHEREAS under the Mutual Reliance Review System for Exemptive Relief Applications (the "System"), the Executive Director of the British Columbia Securities Commission is the principal regulator for this application;

AND WHEREAS Worldwide has represented to the Decision Makers that:

1. Worldwide was incorporated on February 5, 1998 under the *Business Corporations Act* (Alberta) and was continued under the *Canada Business Corporations Act* on August 17, 1999;
2. the principal office of Worldwide in Canada is located in British Columbia;
3. Worldwide is not a reporting issuer, or equivalent, under the Legislation;
4. Worldwide is proposing to undertake an initial public offering of Class A Non-Voting Shares in the Jurisdictions, the United States and Europe (the "Offering");
5. the Offering may include an offering of Class A Non-Voting Shares by the Selling Shareholder to the public in the Jurisdictions, the United States and Europe;
6. there is currently no market for the Class A Non-Voting Shares; however, Worldwide has applied to have the Class A Non-Voting Shares listed on The Toronto Stock Exchange and quoted on the Nasdaq National Market;
7. in connection with the Offering, Worldwide filed with the United States Securities and Exchange Commission on January 28, 2000 a registration statement on Form F-1 (the "Registration Statement");
8. in connection with the Offering, Worldwide filed on February 3, 2000 a preliminary long-form prospectus dated January 28, 2000 (the "Preliminary Prospectus") with each of the Decision Makers;
9. in connection with the offering of Class A Non-Voting Shares in the United States, Worldwide intends to use the procedures permitted by Rule 430A under the *Securities Act of 1933*, under which Worldwide will be permitted to omit from the Registration Statement certain offering price-related information and file a form of prospectus containing the previously omitted pricing information to price the Offering after the Registration Statement has been declared effective;
10. the size of the Offering is expected to be approximately C\$1.25 billion, of which C\$1.15 billion will be issued from Worldwide's treasury;
11. use of the PREP Procedures and the Quebec Procedures would permit Worldwide and the underwriters to better coordinate the pricing, prospectus delivery, confirmation of purchase and closing and settlement procedures in Canada with those expected to be used in connection with the portion of the Offering being made in the United States; and
12. neither Worldwide nor the Class A Non-Voting Shares meet the eligibility criteria which otherwise would permit Worldwide to use the PREP Procedures and the Quebec Procedures;

AND WHEREAS under the System, this MRRS Decision Document evidences the decision of each of the Decision Makers (collectively, the "Decision");

AND WHEREAS 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;

THE DECISION of the Decision Makers under the Legislation is that Worldwide and the Selling Shareholder are exempted from the Prospectus Requirements of the Legislation with respect to any distribution of Class A Non-Voting Shares under the Offering effected in compliance with the PREP Procedures and the Quebec Procedures, insofar as such requirements concern:

1. the form and content of a preliminary prospectus or prospectus, including the form of prospectus certificates, filed under the Legislation; and
2. the filing of an amendment or supplement to a preliminary prospectus or prospectus filed under the Legislation;

provided that:

3. the Preliminary Prospectus is supplemented and amended pursuant to and in accordance with the requirements and procedures set forth in NP 44 and the Quebec Regulation, including the filing of amendments complying with the requirements of the Legislation;
4. a prospectus complying with NP 44 and the Quebec Regulation is filed under the Legislation pursuant to and in accordance with the requirements and procedures set forth in NP 44 and the Quebec Regulation, as if Worldwide and the Selling Shareholder were eligible to use the PREP Procedures and the Quebec Procedures; and
5. such prospectus is supplemented and amended pursuant to and in accordance with the requirements and procedures set forth in NP 44 and the Quebec Regulation, including the filing of amendments complying with the requirements of the Legislation.

March 17th, 2000.

"Margaret Sheehy"

2.2 Orders

2.2.1 BMO European Fund et al. - ss. 59(1), Schedule 1, Regulation

Headnote

Exemption from the fees otherwise due under subsection 14(1) of Schedule 1 of the Regulation to the *Securities Act* on a distribution of units made by an "underlying" fund directly (i) to a "clone" fund, (ii) to the "clone" fund's counterparties for hedging purposes and (iii) on the reinvestment of distributions on such units.

Regulations Cited

Regulation made under the *Securities Act*, R.R.O 1990, Reg. 1015, as am., Schedule 1, ss. 14(1), 14(4) and 59(1).

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

AND

IN THE MATTER OF BMO EUROPEAN FUND BMO JAPANESE FUND BMO GLOBAL SCIENCE & TECHNOLOGY FUND BMO INVESTMENTS INC.

ORDER

(Subsection 59(1) of Schedule I of the Regulation made under the above statute (the "Regulation"))

UPON the application of BMO Investments Inc. ("BMO Investments"), and BMO RSP European Fund, BMO RSP Japanese Fund, BMO RSP Global Science & Technology Fund and similar funds established by BMO Investments from time to time (the "RSP Funds"), and BMO European Fund, BMO Japanese Fund, BMO Global Science & Technology Fund and similar funds established by BMO Investments from time to time (the "Underlying Funds") to the Ontario Securities Commission (the "Commission") for an order pursuant to subsection 59(1) of Schedule I of the Regulation exempting the Underlying Funds from the payment of filing fees payable on an annual basis under Section 14 of Schedule I of the Regulation in respect of the distribution of units of the Underlying Funds to (i) counterparties in respect of units purchased to hedge their exposure to the RSP Funds (the "Hedge Units") and (ii) the RSP Funds (including in both cases the reinvestment of distributions) (the "Reinvested Units");

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

AND UPON BMO Investments having represented to the Commission that:

1. The RSP Funds and the Underlying Funds are open-end mutual fund trusts established under the laws of Ontario. BMO Investments is a corporation constituted under the laws of Canada and the manager and

principal distributor of the RSP Funds and the Underlying Funds.

2. All distributions by the Underlying Funds of (i) units to the RSP Funds, (ii) Hedge Units and (iii) Reinvested Units are made in Ontario.
3. The existing RSP Funds and the Underlying Funds are, or will be, reporting issuers and are not in default of any requirement of the securities acts or regulations or rules applicable in each of the provinces and territories of Canada. The units of the RSP Funds and the Underlying Funds are, or will be, qualified for distribution pursuant to simplified prospectuses and annual information forms filed in all those jurisdictions.
4. As part of their investment strategy, the RSP Funds enter into forward contracts or other derivative instruments (the "Forward Contracts") with one or more financial institutions (the "Counterparties") that link the returns to applicable Underlying Funds.
5. A Counterparty may hedge its obligations under a Forward Contract by investing in Hedge Units of the applicable Underlying Fund.
6. In addition, as part of their investment strategy, the RSP Funds may also invest a portion of their assets directly in units of the Underlying Funds which constitute foreign property under the Income Tax Act (Canada) (the "Fund on Fund Investments").
7. Applicable securities regulatory approvals for the Fund on Fund Investments and the RSP Funds' investment strategies have been obtained.
8. Annually, each of the RSP Funds will be required to pay filing fees to the Commission in respect of the distribution of its units in Ontario pursuant to Section 14 of Schedule I of the Regulation and will similarly be required to pay fees based on the distribution of its units in other relevant Canadian jurisdictions pursuant to applicable securities legislation in each of those jurisdictions.
9. Annually, each of the Underlying Funds will be required to pay filing fees in respect of the distribution of its units in Ontario, including units issued to the RSP Funds and the Hedge Units, pursuant to Section 14 of Schedule I of the Regulation and will similarly be required to pay fees based on the distribution of its units in other relevant Canadian jurisdictions pursuant to the applicable securities legislation in each of those jurisdictions.
10. A duplication of filing fees pursuant to Section 14 of Schedule I of the Regulation may result when (i) assets of an RSP Fund are invested in the applicable Underlying Fund, (ii) Hedge Units are distributed and (iii) Reinvested Units are distributed.

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

IT IS ORDERED by the Commission pursuant to subsection 59(1) of Schedule I of the Regulation that the Underlying Funds are exempt from the payment of filing fees on an annual basis pursuant to Section 14 of Schedule I of the Regulation in respect of the distribution of units of the Underlying Funds to the RSP Funds, the distribution of Hedge Units to Counterparties and the distribution of the Reinvested Units, provided that each Underlying Fund shall include in its notice filed under subsection 14(4) of Schedule I of the Regulation a statement of the aggregate gross proceeds realized in Ontario as a result of the issuance by the Underlying Funds of (1) units to the RSP Fund, (2) Hedge Units and (3) Reinvested Units; together with a calculation of the fees that would have been payable in the absence of this Order.

May 12th, 2000.

"Howard I. Wetston"

"J. F. Howard"

2.2.2 ClientLogic Corporation - s. 147

Headnote

Exemption from the eligibility criteria granted in order to permit the issuer to use the PREP Procedures in National Policy Statement No. 44 in connection with an initial public offering of securities where the offering is also being made in the United States and the issuer intends to utilize the procedures permitted under Rule 430A under the United States Securities Act of 1933.

Statutes Cited

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

Policies Cited

National Policy Statement No. 44

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

AND

IN THE MATTER OF
CLIENTLOGIC CORPORATION

ORDER
(Section 147 of the Act)

WHEREAS ClientLogic Corporation (the "Company") has applied to the Ontario Securities Commission (the "Commission") for an order pursuant to section 147 of the Act exempting the Company from the eligibility criteria set out in section 4.1 of the National Policy Statement No. 44 ("NP 44") which forms part of the Rule entitled *In The Matter of Rules For Shelf Prospectus Offerings and For Pricing Offerings After The Prospectus Is Received*, thereby permitting the use of the PREP Procedures (as such term is defined in NP 44), in connection with the proposed initial public offering in the United States and Ontario (the "Offering") of shares of Class A common stock in the capital of the Company (the "Class A Shares");

AND WHEREAS the Company has represented to the Commission that:

1. The Company is a corporation incorporated under the laws of the State of Delaware and is an international provider of marketing, customer contact management and fulfilment services focussed on electronic commerce and technology companies.
2. The Company is not a reporting issuer in Ontario or elsewhere in Canada but will become a reporting issuer in Ontario upon the issuance of a receipt for its final prospectus filed in connection with the Offering.
3. The authorized capital of the Company consists of 150,000,000 shares of common stock, 225,000,000 Class A Shares, 130,000,000 shares of Class B common stock (the "Class B Shares") and 20,000,000 shares of preferred stock.

4. As of March 23, 2000 (after giving effect to a reverse stock split implemented by the Company on March 27, 2000), there were no shares of common stock, 5,951,285 Class A Shares, 66,451,221 Class B Shares and no shares of preferred stock issued and outstanding.
5. The Offering will consist of concurrent offerings of an aggregate of not less than 10,000,000 Class A Shares to the public in Ontario and in the United States.
6. The Company filed an amended registration statement with the Securities and Exchange Commission under the United States *Securities Act of 1933* (the "1933 Act") on March 28, 2000.
7. There is presently no public market for the Class A Shares; however, the Company has applied to the National Association of Securities Dealers Inc. to have the Class A Shares quoted on the Nasdaq National Market and does not intend to apply to list the Class A Shares on any securities exchange in Canada or the Canadian Dealing Network. The Company expects that a substantial majority of the Offering will be distributed in the United States.
8. In connection with the Offering of Class A Shares in the United States, the Company may elect to use the procedures permitted by Rule 430A under the 1933 Act to price the Offering after the registration statement filed under such Act has been declared effective.
9. Use of the PREP Procedures would permit the Company and the underwriters to better coordinate the pricing, prospectus delivery, confirmation of purchase and closing processes in Canada with those to be used in the United States in connection with the Offering.
10. The Company will not, prior to completion of the Offering, meet the eligibility criteria set forth in NP 44 which would otherwise enable the Company to use the PREP Procedures in connection with the Offering in Ontario.

AND WHEREAS the Commission has assigned authority under section 147 of the Act to the Director and the Executive Director has designated the position of Manager in the Corporate Finance Branch of the Commission for the purposes of the definition of Director contained in subsection 1(1) of the Act;

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

IT IS ORDERED pursuant to section 147 of the Act that the Company be and it is hereby exempted from the eligibility criteria set out in section 4.1 of NP 44, and is permitted the use of the PREP Procedures under NP 44, in connection with the distribution of Class A Shares in Ontario as part of the Offering.

April 25th, 2000.

"Iva Vranic"

2.2.3 Label Depot Corporation - cl. 104(2)(c)

Headnote

Clause 104(2)(c) - Relief from take-over bid requirements granted where private agreement take-over bids for nominal consideration are part of a series of inter-conditional transactions comprising a reorganization of the issuer, where disinterested shareholders have approved such take-over bids.

Statutes Cited

Securities Act, R.S.O. 1990, S.5, as am., ss. 95-100, 104(2)(c) and Part XX.

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

AND

IN THE MATTER OF
LABEL DEPOT CORPORATION

ORDER
(Clause 104(2)(c))

UPON the application of Label Depot Corporation ("LDC") to the Ontario Securities Commission (the "Commission") for an order pursuant to clause 104(2)(c) of the Act exempting certain purchases of common shares of LDC ("Common Shares") from the requirements of Part XX of the Act in connection with a proposed reorganization and divestiture by LDC of its current business;

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

AND UPON LDC having represented to the Commission as follows:

1. LDC was incorporated on August 22, 1997 pursuant to the provisions of the *Business Corporation Act* (Alberta) as Scollard Capital Corporation. Pursuant to Articles of Amendment dated September 28, 1998, LDC changed its name to Label Depot Corporation.
2. LDC is a reporting issuer under the Act.
3. The Common Shares are listed and posted for trading on the Canadian Venture Exchange Inc. (the "Exchange") under the symbol "LDC".
4. LDC is not in default of any requirements of the Act or the rules or regulations made thereunder.
5. The authorized share capital of LDC consists of an unlimited number of Common Shares and an unlimited number of preferred shares, of which there are currently 10,738,776 Common Shares and no preferred shares issued and outstanding.
6. LDC currently carries on business through Markham Label Products Inc. ("Markham Products"), a wholly owned subsidiary of Markham Label Holdings Inc.

("Markham Holdings"), which in turn is wholly owned by LDC.

7. Subject to all necessary regulatory approval, LDC is proposing to privatize the operations of Markham Products through the sale of all of the issued and outstanding shares of Markham Holdings (referred to herein as the "MLHI Sale") to a company controlled by certain of the Vendors (as such term is defined below).
8. The disinterested shareholders of LDC considered and approved the MLHI Sale at a special meeting of shareholders held on May 5, 2000 (the "Special Meeting").
9. In conjunction with, and as a condition precedent to, the MLHI Sale referred to in paragraph 7 above, eight shareholders of LDC (the "Vendors") have agreed to sell (collectively referred to as the "Trades") an aggregate of 2,138,862 Common Shares (the "Purchased Shares") to three shareholders of LDC (collectively, the "Purchasers") in the following specific amounts:

Vendors	Purchasers	No. of Purchased Shares
Robert Walmsley	Cibo Capital Corporation	138,333
Gisela Walmsley	Cibo Capital Corporation	138,333
The Walmsley Family Trust	Cibo Capital Corporation	436,288
Subtotal		712,954
The Walmsley Family Trust	Vero Capital Corporation	513,837
720191 Ontario Limited	Vero Capital Corporation	6,000
William Wright	Vero Capital Corporation	193,117
Subtotal		712,954
William Wright	Standard Mercantile Bancorp. Inc.	91,741
Lorraine Wright	Standard Mercantile Bancorp. Inc.	276,523
Eric Bittenbinder	Standard Mercantile Bancorp. Inc.	174,345
Irene Bittenbinder	Standard Mercantile Bancorp. Inc.	170,345
Subtotal		712,954
Total		2,138,862

10. Also in connection with and as a condition precedent to the MLHI Sale, the Vendors will be consenting to the cancellation (the "Cancellation") of an aggregate of 4,201,137 Common Shares presently held by them (the "Escrowed Shares"), which Common Shares are held in escrow under two separate escrow agreements. The Cancellation is subject to the approval of the Exchange and the Alberta Securities Commission who are the regulators named in the escrow agreements previously signed or assumed by the Vendors. The Escrowed Shares will be returned to LDC for cancellation for no additional consideration.
11. Shareholders of LDC other than the Purchasers and Vendors considered and approved the Trades at the Special Meeting.
12. The Purchased Shares represent in aggregate, 19.9% of the LDC's issued and outstanding Common Shares prior to the Cancellation and in aggregate, 32.7% of the LDC's issued and outstanding Common Shares after giving effect to the Cancellation.
13. At present, the Purchasers hold the following Common Shares in the capital of LDC:

Purchaser	Number of Common Shares Presently Held
Cibo Capital Corporation	666800
Vero Capital Corporation	666800
Standard Mercantile Bancorp. Inc.	666400
Total	2,000,000

14. The Trades and the nominal consideration to be paid in connection therewith (which consideration equals \$10 in aggregate) were based on arm's length negotiations between the Vendors and the Purchasers.
15. The Vendors are:
 - a) The Walmsley family, which encompasses shares held or controlled by Robert Walmsley, his spouse, Gisela Walmsley, The Walmsley Family Trust and 720191 Ontario Limited;
 - b) The Bittenbinder family, which encompasses share held by Eric Bittenbinder and his spouse Irene Bittenbinder; and
 - c) The Wright family, which encompasses shares held by William Wright and his spouse Lorraine Wright.
16. The beneficiaries of The Walmsley Family Trust are Robert Walmsley, Gisela Walmsley and their children and the sole shareholders of 720191 Ontario Limited are Robert Walmsley and Gisela Walmsley.
17. William Wright is currently the CEO and President of LDC, Robert Walmsley is currently the CFO and

Secretary/Treasurer of LDC, and Eric Bittenbinder is the VP-Sales and Market of LDC.

18. After giving effect to the purchase of the Purchased Shares by the Purchasers and the Cancellation, the Vendors will no longer be shareholders of LDC.
19. After giving effect to the Cancellation and the purchase of the Purchased Shares by the Purchasers, each of the Purchasers will own approximately 21.1% of the issued and outstanding Common Shares. In addition, the Purchasers are acting jointly or in concert for the purposes of the Act when purchasing the Purchased Shares, since there is an understanding among the Purchasers with respect to their participation in the Trades. Consequently, the purchase of the Purchased Shares by the Purchasers will constitute take-over bids under the Act.
20. In the absence of this Order, the Purchasers would be required to comply with the take-over bid requirements of Part XX of the Act.

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

IT IS ORDERED pursuant to clause 104(2)(c) of the Act that the Purchasers are exempt from the requirements of sections 95 to 100 of the Act with respect to the Trades.

May 12th, 2000.

"Howard I. Wetston"

"J. F. Howard"

2.2.4 Newbridge Networks Corporation et al. - cl. 104(2)(c), ss. 74(1), S. A. and 59(1) of Schedule 1

Headnote

Clause 104(2)(c) - direct and indirect issuer bids that result from a reorganization involving issuer and several shareholders prior to an arrangement transaction involving issuer and a third party - issuer acquiring shareholders' newly-incorporated companies that hold common shares of issuer in exchange for an equal number of newly-issued common shares of issuer - issuer to amalgamate with newly-incorporated companies - common shares of issuer held by newly-incorporated companies to be cancelled upon amalgamation - immediately after reorganization, all of issuer's shareholders to own directly or indirectly the same number of issuer's common shares that they held prior to the reorganization - purpose of reorganization is to allow shareholders to achieve certain tax planning objectives in connection with the arrangement - shareholders to indemnify and reimburse the issuer for costs and liabilities associated with reorganization - no adverse economic impact on or any prejudice to issuer or public shareholders - issuer exempt from the requirements of sections 95, 96, 97, 98 and 100 of the Act

Subsection 74(1) - control block shareholders participating in reorganization with issuer and acquiring newly-issued common shares of issuer in substitution for previously-issued common shares of issuer - no new investment in issuer being made by control block participants - notwithstanding section 3.11 of Rule 45-501, prospectus requirements do not apply in respect of any distribution by any control block participant, or holding company owned by a control block participant, of such previously-issued or newly-issued common shares of issuer, subject to certain restrictions and provided that such control block participant or holding company complies with subsection 72(7) of the Act

Subsection 59(1) of Schedule I - Issuer is exempt from fee otherwise payable pursuant to clause 32(1)(b) of Schedule 1 to the Regulation in respect of certain transactions exempted from the issuer bid requirements pursuant to an order under clause 104(2)(c), where the transactions did not result in any change to the share ownership structure of the issuer, subject to the requirement that the minimum fee of \$900 be paid

Statutes Cited

Securities Act, R.S.O. 1990, c.S.5, as am., ss. 1(1)(c), 72(7), 72(9), 74(1), 89(1), 92, 95, 96, 97, 98, 100, 104(2)(c), Part XX

Regulations Cited

Regulation made under the Securities Act, R.R.O. 1990, Regulation 1015, as am., ss. 32(1)(b) and 59(1) of Schedule 1.

Rules Cited

Ontario Securities Commission Rule 45-501 - Exempt Distributions, s. 3.11.

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

AND

IN THE MATTER OF
NEWBRIDGE NETWORKS CORPORATION,
TERENCE H. MATTHEWS,
WESLEY CLOVER CORPORATION,
2874806 CANADA INC. AND
3090-8081 QUEBEC INC.

ORDER AND RULING

(Clause 104(2)(c) and subsection 74(1) of the Act and
subsection 59(1) of Schedule 1)

UPON the application (the "Application") of Newbridge Networks Corporation ("Newbridge") to the Ontario Securities Commission (the "Commission") for:

- (a) an order pursuant to clause 104(2)(c) of the Act that certain acquisitions by Newbridge of its common shares (the "Newbridge Common Shares") pursuant to a proposed reorganization transaction (the "Reorganization") are exempt from the requirements of Sections 95, 96, 97, 98, and 100 of the Act;
- (b) a ruling pursuant to subsection 74(1) of the Act that trades by Terence H. Matthews ("Matthews"), Wesley Clover Corporation ("WCC"), 2874806 Canada Inc. ("2874806") and 3090-8081 Quebec Inc. ("3090-8081") (collectively Matthews, WCC, 2874806 and 3090-8081, the "Control Block Participants"), or companies owned directly or indirectly by the Control Block Participants, in Newbridge Common Shares obtained pursuant to the Reorganization (the "New Newbridge Shares") will not be subject to section 53 of the Act, subject to certain conditions; and
- (c) a ruling pursuant to subsection 59(1) of Schedule 1 (the "Schedule") to the Regulation made under the Act exempting Newbridge, in part, from payment of the fee otherwise payable pursuant to clause 32(1)(b) of the Schedule;

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

AND UPON Newbridge having represented to the Commission as follows:

1. Newbridge is a corporation governed by the *Canada Business Corporations Act* (the "CBCA"), is a reporting issuer in Ontario and is not on the list of defaulting reporting issuers maintained pursuant to subsection 72(9) of the Act.
2. Newbridge's authorized share capital consists of an unlimited number of Newbridge Common Shares and an unlimited number of preferred shares (the "Newbridge Preferred Shares"). As at April 7, 2000,

there were 183,442,141 Newbridge Common Shares and no Newbridge Preferred Shares issued and outstanding. The Newbridge Common Shares are listed for trading on The Toronto Stock Exchange and the New York Stock Exchange.

3. Newbridge and Alcatel, a corporation existing under the laws of France, have entered into an amended and restated merger agreement (the "Merger Agreement") dated as of February 22, 2000. The Merger Agreement provides for the combination of Newbridge and Alcatel in a transaction (the "Transaction") that, if approved by the securityholders of Newbridge (collectively, the "Newbridge Securityholders"), will result in Alcatel's indirect acquisition of all of the Newbridge Common Shares pursuant to a plan of arrangement (the "Arrangement") under section 192 of the CBCA.
4. In connection with the Transaction, all holders of Newbridge Common Shares (collectively, the "Newbridge Shareholders") were provided with the opportunity to participate in the Reorganization if they satisfied certain criteria, as disclosed in the management information circular, dated April 10, 2000 (the "Circular"), sent by Newbridge to Newbridge Securityholders in connection with the Transaction. The purpose of the Reorganization is to enable Newbridge Shareholders who are eligible, and have elected, to participate in the Reorganization (collectively, the "Participants") to achieve certain tax planning objectives, including the preservation of "safe income" for purposes of the *Income Tax Act* (Canada), in respect of some or all of their Newbridge Common Shares. The Reorganization requires the cooperation of Newbridge and Alcatel and must be completed prior to the closing of the Transaction.
5. The Circular specified that a Newbridge Shareholder would be eligible to participate in the Reorganization, provided that, among other things, such Newbridge Shareholder:
 - (a) advised Newbridge on or prior to a specified deadline that such Newbridge Shareholder wished to participate in the Reorganization;
 - (b) held, or would hold, his, her or its Newbridge Common Shares indirectly through a holding company, which holding company was incorporated under the CBCA since March 15, 2000 solely for use in relation to the Reorganization (a "Subco"); and
 - (c) his, her or its Subco entered into a participation agreement with, among others, Newbridge in a form satisfactory to Newbridge and Alcatel on or prior to a specified deadline.
6. The proposed Reorganization will involve the following principal steps:
 - (a) Each Participant will incorporate one or more Subcos under the CBCA and may incorporate one or more holding companies (each, a "Holdco") either under the CBCA or the *Business*

- Corporations Act* (Ontario). Each Subco will have been incorporated solely for use in relation to carrying out the Reorganization and will have no material assets or liabilities.
- (b) Each Participant will transfer to his, her or its respective Subcos some or all of his, her or its respective Newbridge Common Shares (collectively, the "Existing Newbridge Shares") in exchange for common shares of such Subco issued to the Participant.
- (c) All of the shares of each Subco (collectively, the "Subco Shares") will be owned either directly by a Participant or by one or more Holdcos. All of the shares of each Holdco will be owned directly or indirectly by a Participant.
- (d) All of the Subco Shares will be transferred to Newbridge in exchange for Newbridge Common Shares (collectively, the "New Newbridge Shares") issued from treasury by Newbridge to the Participants or their respective Holdcos, if any. Each Participant or his, her or its Holdco, as the case might be, will receive that number of New Newbridge Shares equal to the number of Existing Newbridge Shares held, in the aggregate, by each of his, her or its Subcos.
- (e) After Newbridge acquires the Subco Shares and immediately prior to the effective time of the Arrangement, Newbridge intends to amalgamate with each Subco owned by it (the "Amalgamation"). All of the Existing Newbridge Shares owned by each Subco will be cancelled upon the Amalgamation.
- (f) Immediately after the Reorganization is effected, all Newbridge Shareholders, including the Participants, will own directly or indirectly the same number of Newbridge Common Shares that they currently own and will have the same rights and benefits in respect of such Newbridge Common Shares that they currently have.
- (g) If the Transaction does not proceed for any reason, Newbridge may choose to voluntarily dissolve each Subco into Newbridge instead of effecting the Amalgamation. Upon such voluntary dissolutions of the Subcos, the Existing Newbridge Shares held by the Subcos would be distributed to Newbridge and immediately thereafter cancelled by operation of law.
7. Newbridge has been advised that certain Newbridge Shareholders including, among others, the Control Block Participants, wish to participate in the Reorganization.
8. Newbridge has been advised that, prior to the Reorganization, the Control Block Participants will have commenced a reorganization transaction (the "Matthews Reorganization") involving the Control Block Participants, their Holdcos and Subcos and the ownership of their respective Existing Newbridge Shares.
9. Matthews is Newbridge's Chief Executive Officer and Chairman of its board of directors (the "Board"). Matthews directly or indirectly owns 39,710,908 Newbridge Common Shares, representing 21.65% of the issued and outstanding Newbridge Common Shares.
10. Immediately prior to the commencement of the Matthews Reorganization, Matthews held 4,974,000 Newbridge Common Shares, representing approximately 2.7% of the issued and outstanding Newbridge Common Shares. Matthews also indirectly held 32,379,153 Newbridge Common Shares, representing approximately 17.65% of the issued and outstanding Newbridge Common Shares, through WCC. WCC is a private corporation governed by the CBCA and is not a reporting issuer in Ontario or elsewhere in Canada. Matthews owns all of WCC's voting equity shares.
11. The balance of the Newbridge Common Shares indirectly owned by Matthews, being 2,357,755 Newbridge Common Shares, represents approximately 1.3% of the issued and outstanding Newbridge Common Shares and, immediately prior to the commencement of the Matthews Reorganization, such Newbridge Common Shares were owned by the following corporations:
- (a) 2874806, a corporation owned by Matthews, WCC and a family trust established for the benefit of members of Matthews' family, owned 1,745,920 Newbridge Common Shares;
- (b) 3090-8081, a direct subsidiary of WCC, owned 595,000 Newbridge Common Shares; and
- (c) 2985314 Canada Inc. ("2985314"), an indirect subsidiary of WCC, owned 16,835 Newbridge Common Shares.
12. The Control Block Participants and 2985314 have entered into an agreement with Alcatel pursuant to which Matthews has undertaken, among other things, to vote or caused to be voted in favour of the Transaction all Newbridge Common Shares and options to purchase Newbridge Common Shares, if any, owned by the Control Block Participants and 2985314.
13. The Newbridge Common Shares directly or indirectly held by the Control Block Participants prior to the commencement of the Reorganization will be included in the transactions contemplated by the Reorganization.
14. The Participants will pay for all of the costs and expenses incurred by Newbridge in connection with the Reorganization and will indemnify Newbridge and Alcatel for any liabilities that either of them may incur as a result of the Reorganization. The Reorganization, therefore, will not have any adverse effect on or adverse tax consequences to, or in any way prejudice, Newbridge or any of Newbridge's public shareholders.

15. An independent committee of the Board has unanimously recommended to the Board that Newbridge participate in the Reorganization. Newbridge's participation in the Reorganization is conditional on the Board's approval. Directors having an interest in the transactions contemplated by the Reorganization through their relationship with any of the Participants will be required to declare their interest and not vote on the Reorganization.
16. In the course of the Reorganization, Newbridge will become the direct owner of all the issued and outstanding Subco Shares and, as a result, Newbridge temporarily will become the indirect owner of the Existing Newbridge Shares held by each Subco. The indirect acquisition of such Existing Newbridge Shares by Newbridge in connection with the Reorganization may constitute an indirect issuer bid for which there are no exemptions available from the requirements of Part XX of the Act.
17. The Reorganization involves the amalgamation of Newbridge and each of the Subcos and the cancellation of the Existing Newbridge Shares held by each Subco upon the amalgamation. If such amalgamation and cancellation were considered a direct or indirect issuer bid, there would be no exemption available in respect of such amalgamation and cancellation from the requirements of Part XX of the Act.
18. Matthews directly and indirectly holds more than 20% of the outstanding voting securities of Newbridge and, as such, in the absence of evidence to the contrary, is deemed to affect materially control of Newbridge. Accordingly, a trade of Newbridge Common Shares by any of the Control Block Participants or 2985314 would constitute a "distribution" within the meaning of clause (c) of the definition of "distribution" in subsection 1(1) of the Act.
19. Since the Control Block Participants have held all of their respective Existing Newbridge Shares for many years, they can rely upon, among other prospectus exemptions, the prospectus exemption contained in clauses 72(7)(b) and (c) of the Act, since the restrictions contained in section 3.11 of *Ontario Securities Commission Rule 45-501 - Exempt Distributions* (the "Rule") do not apply in respect of trades in respect of their respective Existing Newbridge Shares.
20. If the Transaction is approved by the Newbridge Securityholders, it is intended that the Control Block Participants will dispose of their respective New Newbridge Shares in connection with the Transaction. If the Transaction did not proceed for any reason, however, the Control Block Participants, or any Holdco owned directly or indirectly by a Control Block Participant, would not be able to rely upon the prospectus exemption contained in clauses 72(7)(b) and (c) of the Act in respect of the New Newbridge Shares issued in the Reorganization for a period of at least six months from the date such New Newbridge Shares were acquired because the restrictions

contained in section 3.11 of the Rule would apply in respect of such New Newbridge Shares.

21. The Control Block Participants will not be making a new investment in Newbridge pursuant to the Reorganization.

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

IT IS ORDERED pursuant to clause 104(2)(c) of the Act that Newbridge is exempt from the requirements of sections 95, 96, 97, 98 and 100 of the Act in connection with the transactions contemplated by the Reorganization;

AND IT IS RULED pursuant to subsection 74(1) of the Act that, notwithstanding section 3.11 of the Rule, the provisions of section 53 of the Act do not apply in respect of any distribution by any Control Block Participant, or any Holdco owned directly or indirectly by a Control Block Participant, of any of the New Newbridge Shares or the Existing Newbridge Shares otherwise directly or indirectly held by any Control Block Participant, provided that:

- (a) such Control Block Participant, or any Holdco owned directly or indirectly by a Control Block Participant, complies with the provisions of clauses 72(7)(b) and (c) of the Act in connection with such distribution; and
- (b) this Ruling will cease to apply to the New Newbridge Shares or the Existing Newbridge Shares otherwise currently owned directly or indirectly by any Control Block Participant or Holdco owned directly or indirectly by any Control Block Participant if, subsequent to the Reorganization, any acquisition of additional shares of Newbridge results in the application of subsection 3.11(2) of the Rule.

AND IT IS RULED pursuant to subsection 59(1) of the Schedule that Newbridge is exempt from the requirement to pay the fee otherwise payable pursuant to clause 32(1)(b) of the Schedule, provided that the minimum fee of \$900 is paid.

May 9th, 2000.

"J. A. Geller"

"Howard I. Wetston"

2.2.5 St. Lawrence Cement Inc. - s. 83

Headnote

Issuer deemed to have ceased to be reporting issuer under the Act.

Statutes Cited

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 1(1), 6(3) and 83.

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

AND

**IN THE MATTER OF
ST. LAWRENCE CEMENT INC.**

**ORDER
(Section 83)**

WHEREAS St. Lawrence Cement Inc., a corporation formed under the laws of Quebec, has applied for an order pursuant to section 83 of the Act;

AND UPON it being represented that St. Lawrence Cement Inc. has fewer than fifteen security holders whose latest address as shown on its books is in Ontario;

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

IT IS ORDERED pursuant to section 83 of the Act that St. Lawrence Cement Inc. is deemed to have ceased to be a reporting issuer for the purposes of the Act.

May 5th, 2000.

"Heidi Franken"

2.2.6 TigerTel Services Limited - s. 83 & ss. 1(6), OBCA

Headnote

Issuer deemed to have ceased to be reporting issuer under the Securities Act and deemed to have ceased to be offering its securities to the public under the Ontario Business Corporations Act.

Statutes Cited

Securities Act, R.S.O. 1990, c. S.5, as am., s. 83.
Business Corporations Act, R.S.O. 1990, c. B.16, as am., s.1(6)

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

AND

**IN THE MATTER OF THE ONTARIO BUSINESS
CORPORATIONS ACT,
R.S.O. 1990, CHAPTER B.16, AS AMENDED (THE
"OBCA")**

AND

**IN THE MATTER OF
TIGERTEL SERVICES LIMITED**

**ORDER
(Section 83 of the Act and Subsection 1(6) of the OBCA)**

UPON the application of TigerTel Services Limited, a corporation incorporated under the laws of Ontario, to the Ontario Securities Commission (the "Commission") for an order pursuant to section 83 of the Act and subsection 1(6) of the OBCA;

AND UPON it being represented that TigerTel Services Limited now has fewer than fifteen security holders;

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

IT IS ORDERED pursuant to section 83 of the Act, that TigerTel Services Limited is deemed to have ceased to be a reporting issuer for the purposes of the Act;

AND IT IS FURTHER ORDERED pursuant to subsection 1(6) of the OBCA, that TigerTel Services Limited is deemed to have ceased to be offering its securities to the public for the purposes of the OBCA.

May 5th, 2000.

"J. A. Geller"

"Morley P. Carscallen"

2.3 Rulings

2.3.1 Charles R. Powis, Jonathan Fitzgerald and David Wright - ss. 74(1)

Headnote

Section 74 - Ruling pursuant to section 74(1) of the Act that trades to the Applicants not be subject to section 53 of the Act, subject to certain terms and conditions.

Statutes Cited

Securities Act R.S.O. 1990, c. S. 5, as am., ss. 35(1)(4), 72(1)(c), 53 and 74.

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

AND

IN THE MATTER OF
CHARLES R. POWIS,
JONATHAN FITZGERALD

AND

DAVID WRIGHT

RULING
(Section 74 of the Act)

UPON the application of Charles R. Powis, Jonathan L. Fitzgerald and David J. Wright (the "Applicants") to the Ontario Securities Commission (the "Commission") for a ruling pursuant to section 74(1) of the Act that trades to the Applicants not be subject to section 53 of the Act, subject to certain conditions;

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

AND UPON the Applicants having represented to the Commission as follows:

1. The Applicants have obtained recognition as exempt purchasers pursuant to section 35(1)(4) of the Act.
2. Sections 35(1)(4) of the Act was amended on December 15, 1999 to remove the words "other than an individual", to permit individuals to apply to become recognized as exempt purchasers so as to be exempt from registration requirements.
3. Section 72(1)(c) of the Act provides a corresponding prospectus exemption to the registration exemption contained in section 35(1)(4) of the Act, permitting persons or companies to apply to become recognized as exempt purchasers so as to be exempt from prospectus requirement.

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

IT IS HEREBY RULED pursuant to section 74(1) of the Act, that trades to the Applicants are not subject to section 53 of the Act during such time as the Applicants are recognized as exempt purchasers under section 35(1)(4) of the Act.

May 16th, 2000.

"Howard I. Wetston"

"Robert W. Korthals"

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Chapter 3

Reasons: Decisions, Orders and Rulings

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IN THIS ISSUE

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Chapter 4
Cease Trading Orders

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Chapter 5
Rules and Policies

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IN THIS ISSUE

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Chapter 6

Request for Comments

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IN THIS ISSUE

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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

Exempt Financings

The Ontario Securities Commission reminds Issuers of exempt financings that they are responsible for the completeness, accuracy and timely filing of Forms 20 and 21 pursuant to section 72 of the Securities Act and section 14 of the Regulation to the Act. The information provided is not verified by staff of the Commission and is published as received except for confidential reports filed under paragraph E of the Ontario Securities Commission Policy Statement No. 6.1.

Reports of Trades Submitted on Form 45-501f1

<u>Trans. Date</u>	<u>Security</u>	<u>Price (\$)</u>	<u>Amount</u>
26Apr00	360networks inc. - 13% Senior Notes due 2008	US\$6,831,300	US\$7,000,000
26Apr00	360networks inc. - 13% Senior Notes due 2008	US\$3,903,600	\$US4,000,000
02May00	99Com1 Common Fund Canadian Fund & 99Com2 Common Bond Fund - Units	2,000,000	199,999
28Apr00	99Com1-CDN Equity Fund & 99 Com2 - Bond Fund - Units	2,000,000	200,000
19Apr00	Accuform Golf Inc. - Common Shares	300,000	30,000
03May00	AFM Hospitality Corporation - Common Shares	320,276	139,250
28Apr00	AimGlobal Technologies - Special Warrants	280,000	20,000
28Apr00	Arrow Capital Advance Fund - Trust Units	500,000	3,820
03Apr00	Asset Management Software Systems Inc. - Special Warrants	600,000	1,200,000
31Mar00	C.I. Trident Fund - Units	300,000	1,852
25Apr00	ChondroGene Inc. - Special Warrants	4,025,000	4,025,000
25Apr00	ChondroGene Inc. - Special Warrants	375,000	375,000
01May00	Gluskin Sheff Fund - Units	234,761	2,960
11Apr00	Ironside Technologies Inc. - Class D Special Shares	US\$25,586,801	7,706,868
24Dec99	Jack Astor's (Scarborough) Limited - Units	600,000	5,000
14Apr00	Kingwest Avenue Portfolio - Units	1,000,580	56,751
17Apr00	Lifepoints Achievement Fund, Lifepoints Opportunity Fund, Lifepoints Progress Fund - Units	14,497	122
14Apr00	Lifepoints Achievement Fund, Russell Canadian Fixed Income Fund - Units	4,027	38
17Apr00	Lifepoints Achievement Fund, Lifepoints Progress Fund, Lifepoints Opportunity Fund, Russell Canadian Fixed Income Fund, Russell Canadian Equity Fund, Russell Global Equity Fund - Units	216,664	1,729
11Apr00	Lifepoints Achievement Fund, Lifepoints Progress Fund, Lifepoints Opportunity Fund - Units	10,664	88
25Apr00	Lifepoints Achievement Fund, Lifepoints Progeess Fund, Lifepoints Opportunity Fund, Russell Canadian Equity Fund, Russell Canadian Fixed Income Fund, Russell Global Equity Fund - Units	30,976	245
18Apr00	Lifepoints Achievement Fund, Lifepoints Progeess Fund, Lifepoints Opportunity Fund, Russell Canadian Equity Fund, Russell Canadian Fixed Income Fund, Russell Global Equity Fund - Units	34,578	273
18Apr00	Lifepoints Achievement Fund, Lifepoints Progress Fund, Lifepoints Opportunity Fund - Units	151,193	1,232

Notice of Exempt Financings

<u>Trans. Date</u>	<u>Security</u>	<u>Price (\$)</u>	<u>Amount</u>
12Apr00	Lifepoints Achievement Fund, Lifepoints Progress Fund, Lifepoints Opportunity Fund - Units	80,248	673
24Apr00	Lifepoints Progress Fund - Units	8,045	68
20Apr00	Lifepoints Progress Fund - Units	54,362	464
12Apr00	Lifepoints Progress Fund - Units	6,515	55
10Apr00	Lifepoints Progress Fund, Lifepoints Opportunity Fund, Russell Canadian Equity Fund - Units	39,876	303
25Apr00	Lifepoints Progress Fund, Lifepoints Opportunity Fund - Units	26,566	217
19Apr00	Lifepoints Progress Fund, Lifepoints Opportunity Fund - Unit	76	.63
01May00 & 05May00	LionOre Mining International Ltd. - Subordinated Convertible Debentures due 10May05	18,500,000	18,500,000
28Apr00	Maple Leaf Foods Inc. - Senior Notes, Series A	\$80,000,000	\$80,000,000
10Apr00	Morgan Stanley Dean Witter Investment Management Inc. - Units	38,500,000	3,376,004
20Apr00	NETWORK CORP. - Special Warrants	150,000	150,000
18Apr00	Powerful Media, Inc. - Series B Convertible Preferred Stock	US\$175,000	50,000
20Apr00	Russell Canadian Equity Fund, Russell US Equity Fund, Russell Overseas Equity Fund, Lifepoints Opportunity Fund, Lifepoints Progress Fund, Lifepoints Achievement Fund - Units	305,729	1,841
18Apr00	Russell Canadian Fixed Income Fund, Lifepoints Opportunity Fund, Lifepoints Achievement Fund - Units	118,136	1,034
17Apr00	Russell Canadian Equity Fund, Russell Canadian Fixed Income Fund, Russell US Equity Fund, Russell Overseas Equity Fund, Lifepoints Opportunity Fund, Lifepoints Progress Fund, Lifepoints Achievement Fund, - Units	368,506	2,966
24Apr00	Russell Canadian Equity Fund, Russell Canadian Fixed Income Fund, Russell Overseas Equity Fund, Lifepoints Opportunity Fund, Lifepoints Progress Fund, Lifepoints Achievement Fund - Units	146,552	1,068
26Apr00	Russell Canadian Equity Fund, Russell Canadian Fixed Income Fund, Russell Overseas Equity Fund, Lifepoints Opportunity Fund, Lifepoints Progress Fund, Lifepoints Achievement Fund - Units	16,960	94
19Apr00	Russell Canadian Equity Fund, Russell US Equity Fund, Lifepoints Progress Fund - Units	105,663	696
13Apr00	Russell Canadian Equity Fund, Russell Canadian Fixed Income Fund, Lifepoints Achievement Fund, Lifepoints Progress Fund, Lifepoints Opportunity Fund, Russell Overseas Equity Fund, Russell U.S. Equity Fund, Russell Global Equity Fund - Units	29,501	245
13Apr00	Russell Canadian Fixed Income Fund, Lifepoints Achievement Fund, Lifepoints Progress Fund, Lifepoints Opportunity Fund, Russell Canadian Equity Fund, Russell Global Equity Fund - Units	4,411	35
10Apr00	Russell Canadian Equity Fund, Russell Canadian Fixed Income Fund, Russell US Equity Fund, Russell Overseas Equity Fund, Lifepoints Opportunity Fund, Lifepoints Progress Fund, Lifepoints Achievement Fund - Units	298,096	1,916
24Apr00	Russell Global Equity Fund - Units	7,746	73
11Apr00	Russell US Equity Fund, Russell Overseas Equity Fund, Lifepoints Progress Fund - Units	103,812	851
12Apr00	Russell US Equity Fund, Russell Overseas Equity Fund, Lifepoints Progress Fund - Units	20,489	143
13Apr00	Russell US Equity Fund, Russell Overseas Equity Fund, Lifepoints Progress Fund - Units	64,454	470
14Apr00	Russell US Equity Fund - Units	15,129	109
17Apr00 to 20Apr00	Trimark Mutual Funds - Units (See Filing Document for Individual Fund Names)	6,288,923	731,266
03May00	TriTec Power Systems Ltd. - Convertible Debentures	1,250,000	1,250,000
03May00	TriTec Power Systems Ltd. - Convertible Debentures	3,500,000	3,500,000
01Apr00	Wellington Management Portfolios (Canada) - Units	31,300,000	3,080,154

Notice of Intention to Distribute Securities Pursuant to Subsection 7 of Section 72 - (Form 23)

<u>Seller</u>	<u>Security</u>	<u>Amount</u>
Paros Enterprises Limited	Acktion Corporation - Common Shares	2,000,000
Viceroy Resource Corporation	Channel Resources Ltd. - Common Shares	7,077,850
Estill, Glen R.	EMJ Data Systems Ltd. - Common Shares	100
Estill Holdings Limited	EMJ Data Systems Ltd. - Common Shares	1,500,000
Estill James A.	EMJ Data Systems Ltd. - Common Shares	18,100
Arseneau, Warren	Inzeco Holdings Inc. - Common Shares	250,000
Gastle, Susan M. S.	Microbix Biosystems Inc. - Common Shares	300,000
Faye, Michael R.	Spectra Inc. - Common Shares	200,000
Mailon, Andrew J.	Spectra Inc. - Common Shares	200,000
Coutts Family Trust, The	Tekilogix International Inc. - Common Shares	185,800
Mourin, Stanley	Western Troy Capital Resources Inc. - Common Shares	120,000
Mourin, Barbara	Western Troy Capital Resources Inc. - Common Shares	41,000

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Chapter 9
Legislation

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Chapter 11

IPOs, New Issues and Secondary Financings

Issuer Name:

AEterna Laboratories Inc.
Principal Regulator - Quebec

Type and Date:

Preliminary Short Form Prospectus dated May 10th, 2000
Mutual Reliance Review System Receipt dated May 10th, 2000

Offering Price and Description:

\$14,000,000 - 1,056,604 Subordinate Voting Shares

Underwriter(s), Agent(s) or Distributor(s):

Yorkton Securities Inc.
Desjardins Securities Inc.
HSBC Securities (Canada) Inc.
BLC Securities Inc.

Promoter(s):

N/A
Project #263310

Issuer Name:

Aliant Inc.
Principal Regulator - Nova Scotia

Type and Date:

Preliminary Short Form Prospectus dated May 11th, 2000
Mutual Reliance Review System Receipt dated May 11th, 2000

Offering Price and Description:

\$200,072,000 - 5,620,000 Common Shares

Underwriter(s), Agent(s) or Distributor(s):

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

Promoter(s):

N/A
Project #263810

Issuer Name:

C-COM Satellite Systems Inc.
Principal Regulator - Ontario

Type and Date:

Preliminary Prospectus dated May 15th, 2000
Mutual Reliance Review System Receipt dated May 16th, 2000

Offering Price and Description:

\$2,000,000 - 2,000,000 Common Shares and 4,219,430
Common Shares will be issued upon the exercise of 4,219,430
Special Warrants

Underwriter(s), Agent(s) or Distributor(s):

Yorkton Securities Inc.

Promoter(s):

N/A
Project #264780

Issuer Name:

Canadian Pacific Railway Company (NP #44 - Shelf)
Principal Regulator - Alberta

Type and Date:

Preliminary Short Form Prospectus dated May 10th, 2000
Mutual Reliance Review System Receipt dated May 10th, 2000

Offering Price and Description:

\$700,000,000 Medium Term Notes (Unsecured)

Underwriter(s), Agent(s) or Distributor(s):

RBC Dominion Securities Inc.
Scotia Capital Inc.
CIBC World Markets Inc.
TD Securities Inc.
Merrill Lynch Canada Inc.

Promoter(s):

N/A
Project #263485

Issuer Name:

Caldwell Technology Fund
Principal Regulator - Ontario

Type and Date:

Preliminary Simplified Prospectus dated May 12th, 2000
Mutual Reliance Review System Receipt dated May 15th, 2000

Offering Price and Description:

Mutual Fund Securities - Net Asset Value

Underwriter(s), Agent(s) or Distributor(s):

N/A
Promoter(s):
Thomas S. Caldwell
John R. Campbell
J. Dennis Freeman
Douglas L. Hopkins
John Skirving
J. Donald Wiley
Project #264569

Issuer Name:

Dofasco Inc. (NP #44 - Shelf)
Principal Regulator - Ontario

Type and Date:

Preliminary Short Form Prospectus dated May 10th, 2000
Mutual Reliance Review System Receipt dated May 11th, 2000

Offering Price and Description:

\$300,000,000 - Medium Term Notes (unsecured)

Underwriter(s), Agent(s) or Distributor(s):

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

Promoter(s):

N/A

Project #263526

Issuer Name:

Drillers Technology Corp.
Principal Regulator - Alberta

Type and Date:

Preliminary Prospectus dated May 15th, 2000
Mutual Reliance Review System Receipt dated May 16th, 2000

Offering Price and Description:

Underwriter(s), Agent(s) or Distributor(s):

Yorkton Securities Inc.
Octagon Capital Corporation

Promoter(s):

Ronald W. Gnyra
David T. Spivak
Project #265360

Issuer Name:

Enbridge Inc.
Principal Regulator - Alberta

Type and Date:

Preliminary Short Form Prospectus dated May 10th, 2000
Mutual Reliance Review System Receipt dated May 10th, 2000

Offering Price and Description:

\$147,375,000 - 4,500,000 Common Shares

Underwriter(s), Agent(s) or Distributor(s):

Scotia Capital Inc.
BMO Nesbitt Burns Inc.
RBC Dominion Securities Inc.
CIBC World Markets Inc.
TD Securities Inc.
Merrill Lynch Canada Inc.
National Bank Financial Inc.
Goepel McDermid Inc.
Goldman Sachs Canada Inc.
Deutsche Bank Securities Limited

Promoter(s):

N/A

Project #263331

Issuer Name:

Ethical Canadian Equity Fund
Ethical Global Equity Fund
Ethical RSP North American Equity Fund
Ethical RSP Global Equity Fund
Principal Regulator - British Columbia

Type and Date:

Preliminary Simplified Prospectus dated May 9th, 2000
Mutual Reliance Review System Receipt dated May 10th, 2000

Offering Price and Description:

Mutual Fund Securities - Net Asset Value

Underwriter(s), Agent(s) or Distributor(s):

Credential Asset Management Inc.

Promoter(s):

N/A

Project #263177

Issuer Name:

Fidelity Canadian Aggressive Fund
Fidelity American Opportunities Fund
Fidelity RSP American Opportunities Fund
Fidelity Focus Telecommunications Fund
Fidelity RSP Focus Telecommunications Fund
Principal Regulator - Ontario

Type and Date:

Preliminary Simplified Prospectus dated May 12th, 2000
Mutual Reliance Review System Receipt dated May 15th, 2000

Offering Price and Description:

Mutual Fund Securities - Net Asset Value

Underwriter(s), Agent(s) or Distributor(s):

N/A

Promoter(s):

Fidelity Investments Canada Limited
Project #264439

Issuer Name:

Luxell Technologies Inc.
Principal Regulator - Ontario

Type and Date:

Preliminary Prospectus dated May 16th, 2000
Mutual Reliance Review System Receipt dated May 17th, 2000

Offering Price and Description:

Underwriter(s), Agent(s) or Distributor(s):

Canaccord Capital Corporation

Promoter(s):

N/A

Project #265418

Issuer Name:

MD Canadian Tax Managed Pool
MD International Growth Fund
MD International Growth RSP Fund
MD US Large Cap Value Fund
MD US Large Cap Value RSP Fund
MD US Small Cap Growth Fund
MD US Tax Managed Pool
Principal Regulator - Ontario

Type and Date:

Preliminary Simplified Prospectus dated May 15th, 2000
Mutual Reliance Review System Receipt dated May 16th, 2000

Offering Price and Description:

Mutual Fund Securities - Net Asset Value

Underwriter(s), Agent(s) or Distributor(s):

MD Management Limited

Promoter(s):

MD Private Trust Company

Project #264741

Issuer Name:

MDU Communications International, Inc.
Principal Regulator - British Columbia

Type and Date:

Preliminary Prospectus dated May 11th, 2000
Mutual Reliance Review System Receipt dated May 12th, 2000

Offering Price and Description:

US\$7,725,000 - 3,090,000 Common Shares issuable upon the
the conversion of 3,090,000 Series A Convertible Preferred
Shares

Underwriter(s), Agent(s) or Distributor(s):

Haywood Securities Inc.

Promoter(s):

N/A

Project #264060

Issuer Name:

MGI Software Corp.
Principal Regulator - Ontario

Type and Date:

Preliminary Short Form Prospectus dated May 10th, 2000
Mutual Reliance Review System Receipt dated May 12th, 2000

Offering Price and Description:

\$25,000,000 - 1,000,000 Common Shares issuable upon the
exercise of 1,000,000 Special Warrants

Underwriter(s), Agent(s) or Distributor(s):

Canaccord Capital Corporation

BMO Nesbitt Burns Inc.

Octagon Capital Corporation

Promoter(s):

Oren Asher

Project #263334

Issuer Name:

Merrill Lynch Mortgage Loans Inc. (NP #44 - PREP)
Principal Regulator - Ontario

Type and Date:

Preliminary Short Form Prospectus dated May 10th, 2000
Mutual Reliance Review System Receipt dated May 10th,
2000

Offering Price and Description:

\$227,324,000 Commercial Mortgage Pass-Through
Certificates, Series 2000-Canada 3

Underwriter(s), Agent(s) or Distributor(s):

Merrill Lynch Canada Inc.

Promoter(s):

Merrill Lynch Canada Inc.

Project #263273

Issuer Name:

Middlefield Growth Fund Limited - Equity Index Plus Class
Middlefield Growth Fund Limited - Income Plus Class
Principal Regulator - Ontario

Type and Date:

Preliminary Simplified Prospectus dated May 10th, 2000
Mutual Reliance Review System Receipt dated May 16th 2000

Offering Price and Description:

Mutual Fund Securities - Net Asset Value

Underwriter(s), Agent(s) or Distributor(s):

Middlefield Securities Limited

Promoter(s):

Middlefield Fund Management Limited

Project #263948 & 259885

Issuer Name:

Neurochem Inc.
Principal Regulator - Quebec

Type and Date:

Preliminary Prospectus dated May 10th, 2000
Mutual Reliance Review System Receipt dated May 10th, 2000

Offering Price and Description:

\$ * - * Common Shares

Underwriter(s), Agent(s) or Distributor(s):

Loewen, Ondaatje, McCutcheon Limited

Canaccord Capital Corporation

Promoter(s):

N/A

Project #263379

Issuer Name:

Pelorus Navigation Systems Inc.
Principal Regulator - Alberta

Type and Date:

Preliminary Prospectus dated May 11th, 2000
Mutual Reliance Review System Receipt dated May 12th, 2000

Offering Price and Description:

\$3,300,710 - 2,357,650 Common Shares and 1,178,825
Warrants Issuable upon exercise of 2,357,650 Special
Warrants

Underwriter(s), Agent(s) or Distributor(s):

Acumen Capital Finance Partners Limited

Promoter(s):

N/A

Project #264061

Issuer Name:

Quicklaw Inc.
Principal Regulator - Ontario

Type and Date:

Preliminary Prospectus dated May 16th, 2000
Mutual Reliance Review System Receipt dated May 17th, 2000

Offering Price and Description:

\$ * - * Common Shares

Underwriter(s), Agent(s) or Distributor(s):

BMO Nesbitt Burns Inc.
TD Securities Inc.

Promoter(s):

N/A

Project #265468

Issuer Name:

Telesystem International Wireless Inc.
Principal Regulator - Quebec

Type and Date:

Preliminary Short Form Prospectus dated May 12th, 2000
Mutual Reliance Review System Receipt dated May 15th, 2000

Offering Price and Description:

Underwriter(s), Agent(s) or Distributor(s):

N/A

Promoter(s):

N/A

Project #264410

Issuer Name:

Canadian Natural Resources Limited

Type and Date:

Amendment #1 dated May 9th, 2000 to Short Form
Prospectus dated February 22nd, 1999
Received 12th day of May, 2000

Offering Price and Description:

\$500,000,000.00 - Medium Term Notes (unsecured)

Underwriter(s), Agent(s) or Distributor(s):

RBC Dominion Securities Inc.
CIBC World Markets Inc.

BMO Nesbitt Burns Inc.

TD Securities Inc.

Scotia Capital Inc.

Promoter(s):

N/A

Project #147353

Issuer Name:

Insight Canadian Growth Pool
Insight Canadian Dividend Growth Pool
Insight Canadian Small Cap Pool
Insight U.S. Value Pool
Insight U.S. Growth Pool
Insight International Value Pool
Insight International Growth Pool
Insight Global Equity Pool
Insight Global Equity RSP Pool
Insight Global Small Cap Pool
Insight Canadian High Yield Income Pool
Insight Canadian Fixed Income Pool
Insight Global Fixed Income Pool
Principal Regulator - Ontario

Type and Date:

Amendment #1 dated April 7th, 2000 to Simplified Prospectus
and Annual Information Form dated June 17th, 1999
Mutual Reliance Review System Receipt dated 15th day of
May, 2000

Offering Price and Description:

Mutual Fund Securities - Net Asset Value

Underwriter(s), Agent(s) or Distributor(s):

N/A

Promoter(s):

N/A

Project #155099

Issuer Name:

Digital Gem Corporation
Principal Regulator - Ontario

Type and Date:

Final Prospectus dated May 10th, 2000
Mutual Reliance Review System Receipt dated 10th day of
May, 2000

Offering Price and Description:

Underwriter(s), Agent(s) or Distributor(s):

Geopel McDermid Inc.

Promoter(s):

N/A

Project #245694

Issuer Name:

Kasten Chase Applied Research Limited
Principal Regulator - Ontario

Type and Date:

Final Prospectus dated May 11, 2000
Mutual Reliance Review System Receipt dated 11th day of
May, 2000

Offering Price and Description:

\$15,010,250 - 5,483,000 Common Shares and 2,741,500
Purchase Warrants Issuable Upon Exercise of 5,483,000
Special Warrants

Underwriter(s), Agent(s) or Distributor(s):

Yorkton Securities Inc.

Promoter(s):

N/A

Project #255314

Issuer Name:

Request Seismic Surveys Ltd.
Principal Regulator - Alberta

Type and Date:

Final Prospectus dated May 10th, 2000
Mutual Reliance Review System Receipt dated 10th day of
May, 2000

Offering Price and Description:

Underwriter(s), Agent(s) or Distributor(s):

Firstenergy Capital Corp.
Peters & Co. Limited
Gopel Mcdermid Inc.
Acumen Capital Finance Partners Limited

Promoter(s):

Todd Chuckry
Martin S. McGinnis
Project #253580

Issuer Name:

Twin Gold Corporation
Principal Regulator - Ontario

Type and Date:

Final Prospectus dated May 4th, 2000
Mutual Reliance Review System Receipt dated 8th day of May,
2000

Offering Price and Description:

Underwriter(s), Agent(s) or Distributor(s):

Dundee Securities Corporation
National Bank Financial Inc.

Promoter(s):

N/A
Project #243447

Issuer Name:

Xenos Group Inc.
Principal Regulator - Ontario

Type and Date:

Final Prospectus dated May 15th, 2000
Mutual Reliance Review System Receipt dated 16th day of
May, 2000

Offering Price and Description:

Underwriter(s), Agent(s) or Distributor(s):

RBC Dominion Securities Inc.
National Bank Financial Inc.
Yorkton Securities Inc.

Promoter(s):

N/A
Project #251454

Issuer Name:

BNP Paribas Canada Canadian Money Market Fund (formerly
"BNP (Canada) Canadian Money Market Fund")

BNP Paribas Canada Canadian Bond Fund (formerly "BNP
(Canada) Canadian Bond Fund")

BNP Paribas Canada Canadian Equity Fund (formerly "BNP
(Canada) Canadian Equity Fund")

BNP Paribas Canada Euro Equity Fund (formerly "BNP
(Canada) Euro Equity Fund")

Principal Jurisdiction - Quebec

Type and Date:

Final Simplified Prospectus and Annual Information Form
dated May 5th, 2000
Mutual Reliance Review System Receipt dated 10th day of
May, 2000

Offering Price and Description:

Mutual Fund Securities Net Asset Value

Underwriter(s), Agent(s) or Distributor(s):

N/A

Promoter(s):

BNP (Canada) Securities Inc.
Project #228897

Issuer Name:

Clarington RSP Navellier U.S. All Cap Fund

Clarington RSP Technology Fund

Clarington RSP Global Equity Fund

Principal Regulator - Ontario

Type and Date:

Final Simplified Prospectus and Annual Information Form
dated May 12th, 2000
Mutual Reliance Review System Receipt dated 16th day of
May, 2000

Offering Price and Description:

Mutual Fund Securities - Net Asset Value

Underwriter(s), Agent(s) or Distributor(s):

Clarington Funds Inc.

Promoter(s):

Clarington Funds Inc.
Project #235360

Issuer Name:

Royal Canadian Bond Index Fund

Royal E-Commerce Fund

Principal Regulator - Ontario

Type and Date:

Final Simplified Prospectus and Annual Information Form
dated May 9th, 2000
Mutual Reliance Review System Receipt dated 11th day of
May, 2000

Offering Price and Description:

Mutual Fund Securities - Net Asset Value

Underwriter(s), Agent(s) or Distributor(s):

Royal Mutual Fund Inc.

Promoter(s):

Royal Mutual Funds Inc.
Project #244642

Issuer Name:

Universal Select Managers Canada Fund
Principal Regulator - Ontario

Type and Date:

Final Simplified Prospectus and Annual Information Form
dated May 8th, 2000
Mutual Reliance Review System Receipt dated 11th day of
May, 2000

Offering Price and Description:

Mutual Fund Securities - Net Asset Value

Underwriter(s), Agent(s) or Distributor(s):

Registered Dealer

Promoter(s):

Mackenzie Financial Corporation
Project #250243

Issuer Name:

Royal Select Aggressive Growth Portfolio
Principal Regulator - Ontario

Type and Date:

Preliminary Simplified Prospectus and Annual Information
Form dated Mach 7th, 2000
Withdrawn on 11th day of May, 2000

Offering Price and Description:

Underwriter(s), Agent(s) or Distributor(s):

Royal Mutual Fund Inc.

Promoter(s):

Royal Mutual Funds Inc.
Project #244642

Chapter 12

Registrations

12.1.1 Securities

Type	Company	Category of Registration	Effective Date
New Registration	Globeflex Capital, LP Attention: Robert James Jr. Anslow 4365 Executive Dr Suite 720 San Diego CA 92121 USA	Non-Canadian Advisor Investment Counsel & Portfolio Manager	May 15/00
New Registration	M.R.S. Trust Company Attention: Neil Lovatt 777 Bay St Suite 2100 Toronto, Ontario M5G 2N4	Investment Counsel & Portfolio Manager	May 9/00
Change of Name	Meighen Demers Attention: C.A. Vena Suite 1100, Box 11 Merrill Lynch Canada Tower 200 King Street West Toronto, Ontario M5H 3T4	From: Warburg Dillon Read LLC To: UBS Warburg LLC	May 1/00
Change in Category	Darier, Hentsch (Canada) Inc. Attention: Pierre Trahan 3655 Redpath Montreal, QC H3G 2G9	From: Broker To: Broker Investment Counsel & Portfolio Manager	May 10/00
New Recognition	Attention: Bahman Koohestani 1329347 Ontario Inc. 16 Portsmouth Rd Toronto, Ontario M2L 2W8	Exempt Purchaser	May 15/00
Amalgamation	Mutual Fund Direct Inc. AND Altamira Financial Services Ltd. TO FORM: Altamira Financial Services Ltd. Attention: Christopher Joseph Hodgson 130 King St. W. Suite 900 The Exchange Tower Toronto, Ontario M5X 1K9	Mutual Fund Dealer	April 1/00

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Chapter 13

SRO Notices and Disciplinary Proceedings

13.1 SRO Notices and Disciplinary Decisions

13.1.1 George Georgiou

NOTICE TO PUBLIC RE: DISCIPLINARY HEARING

May 11, 2000

RE: IN THE MATTER OF GEORGE GEORGIU

Toronto, Ontario – The Investment Dealers Association of Canada announced today that a hearing date has been set for a discipline hearing regarding Mr. George Georgiou before the Ontario District Council of the Association.

The hearing is in respect of matters for which Mr. Georgiou may be disciplined by the Association that are alleged by the Member Regulation staff of the Association to have occurred from January 22, 1993 to November 23, 1993 while Mr. George Georgiou was employed as a Registered Representative at Midland Walwyn Capital Inc., (now Merrill Lynch Canada Inc.), and from November 24, 1993 to January 27, 1995 was employed as a Registered Representative at Levesque Securities Inc., (now National Bank Financial Ltd.) both Members of the Association. Mr. Georgiou has not been employed as an approved person of a Member of the Association since January 27, 1997.

The hearing is scheduled to commence at **9:30 a.m.** on **May 18, 2000**, at the Association's offices located at 1600 – 121 King Street West, Toronto, Ontario. The hearing is open to the public except as may be required for the protection of confidential matters.

If the Ontario District Council determines that discipline penalties are to be imposed on Mr. Georgiou, the Association will issue an Association Bulletin giving notice of the discipline penalties assessed, the regulatory violation(s) committed by Mr. Georgiou, and a summary of the facts. Copies of the Association Bulletin and the Decision of the District Council will be made available.

Contact:

Kathleen O'Brien
Public Affairs Co-ordinator
(416) 943-6921

13.1.2 IDA - Amendment to General Notes and Definitions of Form 1 to Allow Dual Trade Date / Settlement Date Margining

INVESTMENT DEALERS ASSOCIATION OF CANADA – AMENDMENT TO GENERAL NOTES AND DEFINITIONS OF FORM 1 TO ALLOW DUAL TRADE DATE / SETTLEMENT DATE MARGINING

I OVERVIEW

The purpose of this proposal is to amend Note #5 in the General Notes and Definitions of Form 1 ("JRFQ&R") to allow Member firms to margin one block of accounts on one basis (either on a settlement date or trade date basis) and the other block of accounts on another basis provided that one of the two blocks is limited to acceptable institution, acceptable counterparty, regulated entity and investment counselor accounts. The method chosen by the Member firm for an account will have to be used consistently from month to month.

A CURRENT RULE

Note #5 in the General Notes and Definitions of the JRFQ&R currently stipulates that Member "firms may determine margin deficiencies for clients, brokers and dealers on either a settlement date basis or trade date basis but must do so for all accounts".

Under the current rule, many Member firms may have difficulty deciding on what basis margin deficiencies should be determined since it has to apply uniformly to all accounts. For risk assessment purposes, a Member firm might prefer determining margin deficiency of one block of their business on one basis (either trade date or settlement date basis) and of another block on another basis.

B ISSUE

It has been suggested that we change the current rule to permit one block of accounts to be margined on one basis (either trade date or settlement date basis) and the remaining accounts on another basis. There is a consensus that, as long as each group of accounts is margined consistently on one basis, this amendment represents, in fact, an accommodation to the method used to report margin deficiencies. This modified reporting basis is not intended to reduce margin requirements but will require reporting of margin deficiencies on a basis consistent with what is currently accepted (trade date or settlement date).

However, it was felt that if a different basis is permitted for different blocks of accounts, specific criteria should be adopted to eliminate any possibility of abuse of margin rules. Therefore, one of the blocks of accounts will be limited to acceptable institution, acceptable counterparty, regulated entity and investment counselor accounts. It is believed that

establishing the blocks based on counterparty classifications as stipulated in the General Notes and Definitions of the JRFQ&R will limit the opportunity for abuse and facilitate efficient regulatory review.

C OBJECTIVE

The objective of the proposed amendment is to permit Member firms to margin one block of accounts on one basis (either on settlement basis or trade date basis) and the remaining accounts on the other basis provided that one of the two blocks is limited to acceptable institution, acceptable counterparty, regulated entity and investment counselor accounts. The method chosen by the Member firm for an account will have to be used consistently from month to month. (see clean and black-line copies included as Attachment #1)

D EFFECT OF PROPOSED RULE AMENDMENT

Market Structure / Competitive Environment

The proposed amendment is not considered material in terms of its impact on market structure or the competitive environment within which the Member firms operate. However, this amendment will permit Member firms to margin a different line of their business in a manner that is more consistent with the nature of their business.

E PURPOSE(S) OF PROPOSAL (PUBLIC INTEREST OBJECTIVE)

According to subparagraph 14(c) of the Association's Order of Recognition as a SRO, the Association shall, where requested, provide in respect of a proposed rule change "a concise statement of its nature, purposes (having regard to paragraph 13 above) and effects, including possible effect on market structure and competition". Statements have been made elsewhere as to the nature and effects of this proposal with respect to allowing dual trade date/settlement date margining. The purpose of this proposal is "to facilitate fair and open competition in securities transactions generally". As a result, the proposed amendment is considered to be in the public interest.

II COMMENTARY

A FILING IN ANOTHER JURISDICTION

Approval of this proposed amendment will be sought from the Alberta, British Columbia, Ontario and Nova Scotia Securities Commissions.

B EFFECTIVENESS

Making this proposed amendment will provide a reasonable accommodation of the current rule to Member firms by giving them the possibility to determine margin deficiencies of two different blocks of business on two different base (either trade date or settlement date basis) provided that one of the two blocks is limited to acceptable institution, acceptable counterparty, regulated entity and investment counselor accounts.

C PROCESS

This proposed amendment has been agreed upon and recommended for approval by:

- the FAS Capital Formula Subcommittee
- the FAS Executive Committee; and
- the Financial Administrators Section.

III SOURCES

The General Notes and Definitions, Form 1

IV OSC REQUIREMENT TO PUBLISH FOR COMMENT

The IDA is required to publish for comment the accompanying rule amendment so that the issue referred to above may be considered by OSC staff.

The Association has determined that the entry into force of the proposed amendment would be in the public interest. Comments are sought on the proposed rule amendment. Comments should be made in writing. One copy of each comment letter should be delivered within 30 days of the publication of this notice, addressed to the attention of Sylvain Racine, Manager, Regulatory Policy, Investment Dealers Association of Canada, Suite 1600, 121 King Street West, Toronto, Ontario, M5H 3T9 and one copy addressed to the attention of the Manager, Document Management, Market Operations, Ontario Securities Commission, 20 Queen Street West, Toronto, Ontario, M5H 3S8.

Questions may be referred to:

Sylvain Racine
Manager, Regulatory Policy
Investment Dealers Association of Canada
(416) 943-6979

INVESTMENT DEALERS ASSOCIATION OF CANADA

GENERAL NOTES AND DEFINITIONS OF FORM 1

THE BOARD OF DIRECTORS of the Investment Dealers Association of Canada hereby makes the following amendment to the By-laws, Regulations, Forms and Policies of the Association:

1. The Note #5 in the General Notes and Definitions of Form 1 are repealed and replaced as follows:

"5. Firms may determine margin deficiencies for clients, brokers and dealers on either a settlement date basis or trade date basis. Firms may also determine margin deficiencies for acceptable institution, acceptable counterparty, regulated entity and investment counselor accounts as a block on either a settlement date basis or trade date basis and the remaining clients, brokers and dealers accounts on the other basis. In each case, firms must do so for all such accounts and consistently from period to period."

PASSED AND ENACTED BY THE Board of Directors this day of 2000, to be effective on a date to be determined by Association staff.

13.1.3 IDA - Composition of The IDA Board

INVESTMENT DEALERS ASSOCIATION
OF CANADA – COMPOSITION OF THE IDA BOARD

I OVERVIEW

A -- Current Rules

Current IDA rules state that "No Member shall have more than two partners, directors or officers as members of the Board of Directors at any one time, nor may both such members be from the same District". Exceptions to the rule about two members from the same district include the Past Chair of the Association, the Chair of the Financial Administrators Section and the Chair of the National Advisory Committee.

These exceptions have been made because the selection process for these individuals is completely separate from the Board selection process. In addition, the term of the position may vary from that of a Board member. Without this provision, there is a greater likelihood that the election of an individual to such a position would result in a Board member from the same firm in the same district having to resign. We believe that such a result would be unfair to the individual and would create logistical problems in the selection of the Board.

It has been the practice of the IDA to appoint the Chairs of the Canadian exchanges to the IDA Board. This is not reflected in the Rules of the Association.

The current rules contain no guidance in situations where the normal selection process would result in more than two Board members from the same firm.

B -- The Issue

The chairs of the Canadian stock exchanges have traditionally been Members of the IDA Board. We recently encountered a situation where the newly elected chair of one of the stock exchanges was from the same firm and the same district as a current Board Member. Without extending the current exceptions to these chairs, the inclusion in the Board of Directors of the chair would be in violation of By-law 10.1.

C -- Objective

The rule change is designed to treat the chairs of the Canadian stock exchanges in the same manner as the Past Chair of the Association, the Chair of the Financial Administrators Section and the Chair of the National Advisory Committee for purposes of appointment to the IDA Board.

The rule change is also designed to clarify certain Board selection practices.

D -- Effect of Proposed Rules

The proposed rule has no impact on market structure, competition, costs of compliance or other rules.

II -- DETAILED ANALYSIS

A – Proposed Policy

It is proposed that By-law 10.1 be modified to add the Chairs of the Canadian Venture Exchange, the Montreal Exchange and The Toronto Stock Exchange to the list of Board members that can be from the same district as another member.

We also propose to modify By-law 10.1 to codify the process for selecting Board Members where the normal selection process would result in more than two Board members from the same firm.

B -- Issues and Alternatives Considered

Consideration was given to increasing the number of persons from the same firm that could be on the Board to accommodate the various Board appointments resulting from an individual's appointment by another body. It was felt, however, that a firm's representation on the Board by more than two persons would be excessive.

C -- Comparison with Similar Provisions

This is an Association governance matter peculiar to the IDA and similar provisions of other SRO's were not considered.

D -- Public Interest Objective

The proposal is in the public interest and provides for the administration of the affairs of the IDA.

The proposal does not permit unfair discrimination among customers, issuers, brokers, dealers, members or others. It does not impose any burden on competition that is not necessary or appropriate in furtherance of the above purposes.

III -- COMMENTARY

A -- Filing in Other Jurisdictions

This proposal will be filed with the securities commissions of the provinces of Alberta, British Columbia, Ontario for approval and with the Nova Scotia Securities Commission for information.

B – Effectiveness

We believe that the proposal effectively addresses the problem recently encountered.

C -- Process

The proposal was developed by the Executive Committee of the IDA and has been approved by the IDA Board.

IV -- SOURCES

IDA By-law 10

V -- OSC REQUIREMENT TO PUBLISH FOR COMMENT

The IDA is required to publish for comment the accompanying Policy so that the issue referred to above may be considered by OSC staff.

The Association has determined that the entry into force of the proposed Policy would be in the public interest. Comments are sought on the proposed Policy. Comments should be made in writing. One copy of each comment letter should be delivered within 30 days of the publication of this notice, addressed to the attention of the Keith Rose, Investment Dealers Association of Canada, Suite 1600, 121 King Street West, Toronto, Ontario, M5H 3T9 and one copy addressed to the attention of the Manager, Document Management, Market Operations, Ontario Securities Commission, 20 Queen Street West, Toronto, Ontario, M5H 3S8.

Questions may be referred to:
Keith Rose
Vice-President, Regulatory Policy
Investment Dealers Association of Canada
(416) 943-6907
krose@ida.ca

INVESTMENT DEALERS ASSOCIATION OF CANADA
BY-LAW 10

By-law 10.1 is deleted and replaced by the following:

BLACKLINE

Board of Directors 10.1

10.1. There shall be a Board of Directors of the Association composed of the Chair, the immediate Past Chair, the Vice-Chair, the President, the Chair of the Financial Administrators Section (provided he or she is a partner, director or officer of a Member), the Chair of the National Advisory Committee, up to six public directors, and up to sixteen other persons nominated by the Nominating Committee referred to in By-law 13.4 and approved by the Board of Directors or nominated by any Member at the Annual Meeting (which nomination shall be made by the Member if he or she is an individual or by the senior partner, director or officer of the Member present at the Annual Meeting) and confirmed at the Annual Meeting, all of such nominated and confirmed persons to hold office for such term not exceeding two years as may be prescribed in the resolution appointing them. The number of members of the Board of Directors to be confirmed at each Annual Meeting shall be fixed by the Board of Directors and notice thereof and of the names of those persons who have been nominated by the said Nominating Committee and approved by the Board of Directors shall be given to each Member at least thirty days prior to the Meeting.

The public directors shall be elected annually by the Board of Directors at its first meeting following the Annual Meeting to hold office for such term not exceeding two years as may be prescribed in the resolution electing them. Except as expressly provided otherwise, a public director shall be considered a member of the Board of Directors for the purposes of the By-laws. No person shall be eligible to be elected or remain as a public director if he or she is or becomes during his or her term of office a partner, director, officer or employee of a Member or associate or affiliate or related company of a Member. Nominations for public directors shall be made by the Nominating Committee referred to in By-law 13.4 and may be made by any member of the Board of Directors.

In the event that any person shall hold the office of Chair for two successive years, the immediate Past Chair shall continue to be a member of the Board of Directors during such Chair's second year of office. A retiring member of the Board of Directors shall be eligible for re-appointment. If a vacancy shall occur in the Board of Directors, the remaining members of the Board may appoint a person to fill the vacancy for the remainder of the term or until the next Annual Meeting whichever is the earlier, provided that a quorum is present at the meeting at which such appointment is made. A minimum of two thirds of the members of the Board of Directors shall at all times be Members or partners, directors or officers of Members. No Member shall have more than two partners, directors or officers as members of the Board of Directors at any one time, nor may both such members be from the same District, unless one of such members is either the Past Chair

of the Association or the Chair of the Financial Administrators Section or the Chair of the National Advisory Committee or the Chairman of the Canadian Venture Exchange or the Chairman of the Montreal Exchange or the Chairperson of The Toronto Stock Exchange. Where the Board selection process would result in more than two persons from a Member serving on the Board, the Chief Executive Officer of that Member shall decide which two persons will serve on the Board. This may result in one or more of the Chair of the Financial Administrators Section, the Chair of the National Advisory Committee, the Chairman of the Canadian Venture Exchange, the Chairman of the Montreal Exchange and the Chairperson of The Toronto Stock Exchange not serving on the Board.

10.2. A meeting of the Board of Directors may be convened by the Secretary at the request of the Chair or, in his or her absence, of the Vice-Chair, or at the written request of three members of the Board of Directors, at such time and place as may be fixed in the notice convening the meeting. At least seven days' notice shall be given to each member of the Board. A meeting of the Board of Directors may be held immediately following the Annual Meeting without notice, notwithstanding that one or more members of the Board may not be present at the Annual Meeting.

10.2A. If all the Directors present at or participating in the meeting consent, a meeting of the Board of Directors may be held by means of such telephone, electronic or other communication facilities as permit all persons participating in the meeting to communicate with each other simultaneously and a Director participating in such a meeting by such means is deemed for the purposes of the By-laws and Regulations to be present at that meeting.

10.3. A member of the Board of Directors may by written proxy appoint a person to attend and vote for him at any meeting of the Board. Such proxy shall be a member of the Board of Directors, provided that a Director who is the chair of a Canadian stock exchange may appoint a proxy who is a member of the board of governors, directors or similar body of such stock exchange who need not be a member of the Board of Directors of the Association.

10.4. Nine members of the Board of Directors present in person shall form a quorum at any meeting thereof and any action taken by a majority of those members of the Board present at any meeting of the Board at which a quorum is present shall constitute the action of the Board.

10.5. At any meeting of the Board of Directors where there is a tie vote on any matter before the Board, the Chair shall have a casting vote in addition to his or her vote as a member of the Board.

10.6. A By-law, Regulation, Ruling, Policy or resolution consented to in writing by 80% of the members of the Board of Directors shall (if the Secretary has caused the By-law, Regulation, Ruling, Policy or resolution to be sent to all of the members of the Board of Directors at their business address as shown in the records of the Association) be as effective as if passed at a duly constituted meeting of the Board. The consent in writing of a member of the Board of Directors may be given by telex, telegram or other similar means of written communication.

National Advisory Committee

10.7. There shall be a National Advisory Committee of the Association composed of the Chairs of the District Councils, the most recent national winner of the Distinction Award, Regional Directors and the Vice-President, Government and Member Relations. The National Advisory Committee shall act as a forum for consultation and co-operation among the District Councils and consideration of District Council initiatives.

10.8. The Chair and Vice-Chair of the National Advisory Committee shall be chosen from among the District Council Chairs on a yearly-rotating basis.

10.9. The National Advisory Committee shall normally meet prior to or following the joint Board of Directors and National Advisory Committee meetings. Other meetings may be held at the call of the Chair.

10.9A. A meeting of the National Advisory Committee may be held by means of such telephone, electronic or other communication facilities as permit all persons participating in the meeting to communicate with each other simultaneously and a Committee member participating in such meeting by such means is deemed for the purposes of the By-laws and Regulations to be present at that meeting.

10.10. A member of the National Advisory Committee may by written proxy appoint a person to attend and vote for him or her at any meeting of the Committee. Such proxy shall be a member of the National Advisory Committee or of the District Council of which he or she is a member.

10.11. Ten members of the National Advisory Committee present in person shall form a quorum at any meeting thereof and any action taken by a majority of those members of the Committee present at any meeting of the Committee at which a quorum is present shall constitute the action of the Committee. At any meeting of the National Advisory Committee where there is a tie vote on any matter before the Committee, the Chair shall have a casting vote in addition to his or her vote as a member of the Committee.

10.12. A resolution consented to in writing by ten members of the National Advisory Committee shall be as effective as if passed at a duly constituted meeting of the Committee unless otherwise provided in any by-law. The consent in writing of a member of the National Advisory Committee may be given by telex, telegram or other similar means of written communication.

Notices, Legal Assistance

10.13. The Board of Directors may employ such legal, secretarial or other assistance as it may require.

10.14. Any notice to the Board of Directors, the Executive Committee or any Committee created pursuant to By-law 10.20 may be addressed in writing to the Board or Committee in care of the Secretary at the principal office of the Association.

Executive Committee

10.15. The Board of Directors may establish an Executive Committee composed of the Chair, the Vice-Chair, the President, the Chair of the Financial Administrators Section (provided he is a partner, director or officer of a Member and a Member of the Board), a public director of the Board and not less than one other member of the Board of Directors.

10.16. During the intervals between the meetings of the Board of Directors the Executive Committee shall be vested with, in addition to the powers given to the Executive Committee under the By-laws and Regulations, the powers of the Board of Directors which the Board of Directors has delegated to the Executive Committee and the Executive Committee may exercise all such powers in such manner as the Executive Committee shall consider to be in the best interests of the Association in all cases in which specific directions shall not have been given by the Board of Directors. The delegation of powers by the Board of Directors shall be expressed by resolution passed by the affirmative vote of at least a majority of all of the members of the Board of Directors. All action by the Executive Committee pursuant to powers so delegated shall be reported to the Board of Directors at its meeting next succeeding such action and shall be subject to revision or alteration by the Board of Directors; provided that no acts or rights of third parties shall be affected or invalidated by any such revision or alteration.

10.17. The Executive Committee shall (subject to the provisions of this By-law) fix its own rules of procedure from time to time and shall meet at such place or places and in accordance with such rules or as provided by resolution of the Board of Directors but in every case the presence of three members of the Executive Committee two of whom shall not be public directors shall be necessary to constitute a quorum for the transaction of business. The Chair, or in his or her absence the Vice-Chair, or in the absence of the Chair and the Vice-Chair, the President shall act as chair at such meetings.

10.18. A meeting of the Executive Committee may be convened at any time by the Chair or by the President or by the Secretary at the request of either the Chair or the President at such time and place as may be fixed in the notice convening the meeting. At least forty-eight hours notice of the meeting shall be given to each member of the Committee.

10.18A. If all the members present at or participating in the meeting consent, a meeting of the Executive Committee may be held by means of such telephone, electronic or other communication facilities as permit all persons participating in the meeting to communicate with each other simultaneously and a member of the Executive Committee participating in such a meeting by such means is deemed for the purposes of the By-laws and Regulations to be present at that meeting.

10.19. If one or more members of the Executive Committee are unavailable, then, provided that all reasonable efforts have been made to contact each member of the Executive Committee, a resolution of the Executive Committee consented to in writing by a majority of the members of the Committee shall be as effective as if passed at a duly constituted meeting of the Committee. The consent in writing of a member of the Executive Committee may be given by

telex, telegram or other similar means of written communication.

Sub-Committees

10.20. The Chair or the President, with the consent of the Board of Directors may appoint such Sub-Committees and for such purposes as either of them may in his discretion decide. The life of such Sub-Committee shall not extend beyond the first Annual Meeting next following its appointment.

Chair's Consultative Council

10.21. There shall be a Chair's Consultative Council of the Association composed of the Chair, the Vice-Chair and all Past Chairs of the Association who are actively engaged in the business of a Member.

The Chair shall be the chair of the Chair's Consultative Council and the President shall be an ex-officio member of the Chair's Consultative Council. The duties of the Chair's Consultative Council shall be to consult with and advise the Board of Directors, the National Advisory Committee, the Executive Committee or any other Committee or District Council of the Association at the request of the Chair.

10.22. A meeting of the Chair's Consultative Council may be convened by the Secretary at the request of the Chair or, in his or her absence, of the Vice-Chair, at such time and place as may be fixed in the notice convening the meeting. At least twenty-four hours' notice shall be given to each member of the Chair's Consultative Council. A meeting of the Chair's Consultative Council may be held immediately following the Annual Meeting without notice, notwithstanding that one or more members of the Chair's Consultative Council may not be present at the Annual Meeting.

10.23. If all the members present or participating in the meeting consent, a meeting of the Chair's Consultative Council may be held by means of such telephone, electronic or other communication facilities as permit all persons participating in the meeting to communicate with each other simultaneously.

Audit Committee

10.24. The Board of Directors shall establish an Audit Committee composed of a minimum of three members of the Board of Directors including the Chair, Vice-Chair and such other directors (other than the President) as may be designated by the Board. The Audit Committee shall review and report to the Board of Directors on the annual statements of the Association prior to their approval by the Board and shall perform such other duties as may from time to time be assigned by the Board of Directors.

10.25. The Audit Committee shall (subject to the provisions of this By-law) fix its own rules of procedure from time to time and shall meet at such place or places and in accordance with such rules or as provided by resolution of the Board of Directors. A majority of members of the Audit Committee shall constitute a quorum for the transaction of business. The Chair, or in his or her absence the Vice-Chair, shall act as chair of such meetings. If all the members present at or participating in the meeting consent, a meeting of the Audit Committee may be held by means of such telephone, electronic or other communication facilities as permit all persons participating in the meeting to communicate with each other simultaneously and a member of the Audit Committee participating in such a meeting by such means is deemed for the purposes of the By-laws and Regulations to be present at that meeting.

13.1.4 IDA - Small Investments by Industry Investors in Another Member or Holding Company

INVESTMENT DEALERS ASSOCIATION OF CANADA – SMALL INVESTMENTS BY INDUSTRY INVESTORS IN ANOTHER MEMBER OR HOLDING COMPANY

I OVERVIEW

A -- Current Rules

The current rules of the IDA restrict industry investors including employees and officers of Member firms from owning securities of Members other than the Member in respect of which the investor is approved. If an employee or officer of a Member were to hold securities of another Member, it could result in conflicts or apparent conflicts between the person's role in the two organizations. For this reason, such investments have not been allowed.

B -- The Issue

As the number of Members of the Association has increased over time and an increasing number of firms are not wholly owned by their employees, the Association has been receiving an increasing number of requests for employees of Members to invest in other Members. In many situations, these requests have related to investments that were not significant in size to either the individual or the Member. Under these circumstances, the Board of the Association has permitted such investments.

Rather than continue to provide these exemptions the IDA Executive Committee has requested that the by-laws be changed to permit insignificant investments without Board approval.

C -- Objective

The objective of the proposed rules is to standardize practice with respect to holding by officers and employees of Members in other Members. The proposed rules should continue to restrict officers and employees of a Member from owning securities of another Member where such ownership may create conflicts of interest or the appearance of conflict of interest, while allowing insignificant holdings where there is no actual and not even any appearance of conflict of interest.

D -- Effect of Proposed Rules

The proposed rules will result in a continuation of the current situation but will make it clear as to what investments are allowed and reduce the number of situations where the Board is called on to make a decision relating to permission to invest in a Member.

II -- DETAILED ANALYSIS

A -- Issues and Alternatives Considered

In establishing the proposed rules, the most important issue related to the definition of significance. In this case, it had

been decided that the investment should not be significant to either the investor or the Member. In some cases percentage ownership may cause these concerns, even where the dollar amounts may appear insignificant. In other situations, the dollar amount may cause these concerns, even where the percentage ownership may appear insignificant. Consequently, the proposed rules include a combination of percentage of ownership and dollar amount as a test of significance.

B -- Comparison with Similar Provisions

These provisions are very similar to provisions of The Toronto Stock Exchange but are more specific as to what constitutes a significant interest.

C -- Public Interest Objective

The proposal is in the public interest and is designed to promote the protection of investors, just and equitable principles of trade, high standards of operations, business conduct and ethics and to standardize industry practices where necessary or desirable for investor protection;

The proposal does not permit unfair discrimination among customers, issuers, brokers, dealers, Members or others or impose any burden on competition that is not necessary or appropriate in furtherance of these purposes.

III -- COMMENTARY

A -- Filing in Other Jurisdictions

This proposal has been filed with the Alberta Securities Commission, the British Columbia Securities Commission and the Ontario Securities Commission for approval. It has been filed with the Nova Scotia Securities Commission for information purposes only.

B -- Effectiveness

We believe the proposal will effectively standardize the IDA's practices with respect to the investment of officers and employees of Members in other Members.

C -- Process

The issue was raised by the IDA Executive Committee and was approved by the IDA Board.

IV -- SOURCES

References:

- IDA By-laws
 - 5.6
 - 5.9
- The Toronto Stock Exchange - The General By-Law
 - 5.05

V -- OSC REQUIREMENT TO PUBLISH FOR COMMENT

The IDA is required to publish for comment the accompanying Policy so that the issue referred to above may be considered by OSC staff.

The Association has determined that the entry into force of the proposed Policy would be in the public interest. Comments are sought on the proposed Policy and should be in writing. One copy of each comment letter should be delivered within 30 days of the publication of this notice, addressed to the attention of Keith Rose, Investment Dealers Association of Canada, Suite 1600, 121 King Street West, Toronto, Ontario, M5H 3T9 and one copy addressed to the attention of the Manager, Document Management, Market Operations, Ontario Securities Commission, 20 Queen Street West, Suite 800, Toronto, Ontario, M5H 3S8.

Questions may be referred to:
Keith Rose
Vice-President, Regulatory Policy
Investment Dealers Association of Canada
(416) 943-6907
krose@ida.ca

INVESTMENT DEALERS ASSOCIATION OF CANADA

BY-LAW 5

Amend By-law 5 by deleting Section 5.6 and replacing it with the following:

5.6. No industry investor shall own securities issued by a Member or a holding company of a Member corporation other than the Member in respect of which the investor is approved or a holding company of such Member corporation, unless:

- (a) those securities are of a class in respect of which there is public ownership pursuant to a distribution thereof, in accordance with By-law 5.9(a), (b) or (d), or
- (b) the Member is an affiliate or a related company of the Member in respect of which the investor is approved; or
- (c)
 - (i) the investment does not represent a significant equity interest.
 - (ii) the Association has been notified of the relationship,
 - (iii) the Association has been provided with evidence that the other member's recognized self-regulatory organization does not object to the relationship and
 - (iv) the Member, in respect of which the industry investor is approved, has been notified of the investment and does not object to the investment.

For the purposes of this By-law 5.6, significant equity interest shall mean an investment that is more than \$20,000 or that represents more than 2% of any class of issued equity or voting shares.

13.1.5 IDA - Manipulative or Deceptive Trading

INVESTMENT DEALERS ASSOCIATION OF CANADA – MANIPULATIVE OR DECEPTIVE TRADING

I OVERVIEW

A -- Current Rules

The current Rules of the IDA do not contain specific prohibitions against manipulative or deceptive methods of trading in equities. The rules of the Canadian stock exchanges have contained these prohibitions. The IDA has taken the stance that violation of these stock exchange rules would constitute a practice or conduct which is unbecoming or detrimental to the public interest and thus punishable under IDA By-law 29.1.

B -- The Issue

With an increasing amount of trading occurring in over the counter markets, it is appropriate that the same high standards of conduct be observed by our Members in equity trading done in markets other than Canadian exchange markets as is required in equity trading done on the Canadian exchanges.

The IDA assumed responsibility for certain member regulation functions from CDNX in January 2000. At that time, the British Columbia Securities Commission ("BCSC") reviewed the IDA Rules. As a result of that review, the BCSC requested that the IDA institute rules relating to manipulative and deceptive trading similar to rules of the Canadian Venture Exchange ("CDNX").

C -- Objective

The objective of the proposed rule is to ensure that all equity trading done by Members is subject to the same high standards as that done on Canadian Stock Exchanges.

D -- Effect of Proposed Rules

The proposed rule should have no impact on market structure, competition, costs of compliance or other rules because it is merely a clarification of conduct previously expected of our Members under By-law 29.1

II -- DETAILED ANALYSIS

A -- Proposed Policy

The IDA proposes a new Regulation 800.49 Dealing with Equity Trading Practices. The proposed Regulation is very similar to rules of the CDNX.

B -- Issues and Alternatives Considered

The IDA reviewed the Rules of the CDNX, The Toronto Stock Exchange ("TSE") and the NASD.

C -- Comparison with Similar Provisions

The Rules of the CDNX and the Toronto Stock Exchange are very similar and generally more concise, clearer and more applicable to our situation than similar American rules.

D -- Public Interest Objective

The proposal is designed to prevent fraudulent and manipulative acts and practices and to standardize industry practices where necessary or desirable for investor protection;

The proposal does not permit unfair discrimination among customers, issuers, brokers, dealers, members or others. It does not impose any burden on competition that is not necessary or appropriate in furtherance of the above purposes.

III -- COMMENTARY

A -- Filing in Other Jurisdictions

The proposal will be filed with the securities commissions of Alberta, British Columbia and Ontario for approval. It will be filed with the Nova Scotia Securities Commission for information.

B -- Effectiveness

We believe that the proposed rule will be effective in achieving its stated purpose.

IV -- SOURCES

References:

- IDA By-law 29.1
- Canadian Venture Exchange Rules
 - F.2.10
- The Toronto Stock Exchange Members Manual:
 - Rulings and Directions of the Board, C.XIV
 - The General By-Law s.11.17
 - The General By-Law s.11.26
- Vancouver Stock Exchange Rules
 - F.2.17.1
 - F.2.17.2
 - F.2.17.3
 - F.2.17.4
- The NASD Manual Rule 2120
- The Securities and Exchange Act of 1934 Rule 10b-5

V -- OSC REQUIREMENT TO PUBLISH FOR COMMENT

The IDA is required to publish for comment the accompanying Policy so that the issue referred to above may be considered by OSC staff.

The Association has determined that the entry into force of the proposed Policy would be in the public interest. Comments are sought on the proposed Policy. Comments should be made in writing. One copy of each comment letter should be delivered within 30 days of the publication of this notice, addressed to the attention of Keith Rose, Investment Dealers Association of Canada, Suite 1600, 121 King Street West,

Toronto, Ontario, M5H 3T9 and one copy addressed to the attention of the Manager, Document Management, Market Operations, Ontario Securities Commission, 20 Queen Street West, Suite 800, Toronto, Ontario, M5H 3S8.

Questions may be referred to:

Keith Rose
Vice-President
Regulatory Policy
Investment Dealers Association of Canada
(416) 943-6907
krose@ida.ca

INVESTMENT DEALERS ASSOCIATION OF CANADA

REGULATION 800

Amend Regulation 800 by adding Section 800.49 as follows:

800.49 Manipulative or Deceptive Method of Trading and Market Corner

(1) No Member, partner, officer, director or approved person of a Member shall use or knowingly participate in the use of any manipulative or deceptive method of trading in connection with the purchase or sale of any security which creates or may create a false or misleading appearance of trading activity or an artificial price for the said security. Without in any way limiting the generality of the foregoing, the following shall be deemed manipulative or deceptive methods of trading:

(a) making a fictitious transaction or giving or accepting an order which involves no change in the beneficial ownership of a security;

(b) entering an order or orders for the purchase of a security with the knowledge that an order or orders of substantially the same size, at substantially the same time and at substantially the same price, for the sale of any such security, has been or will be entered by or for the same or different persons and with the intention of creating a false or misleading appearance of active public trading in a security or with respect to the market price of a security;

(c) entering an order or orders for the sale of a security with the knowledge that an order or orders of substantially the same size, at substantially the same time and at substantially the same price for the purchase of such security, has been or will be entered by or for the same or different persons and with the intention of creating a false or misleading appearance of active public trading in a security or with respect to the market price of a security;

(d) making purchases of or offers to purchase any security at successively higher prices or sales of or offers to sell any security at successively lower prices for the purpose of creating or inducing a false or misleading appearance of trading in such security or for the purpose of unduly or improperly influencing the market price of such security;

(e) effecting, alone or with one or more persons, a series of transactions in any security, for the purpose of inducing the purchase or sale of such a security or raising or depressing the price of such security.

(2) No Member, partner, officer, director or approved person of a Member shall effect, cause to be effected, or assist in effecting or causing to effect, a market corner. For the purposes of Regulation 800.49, the term "market corner" shall mean:

(a) any arrangement involving the purchasing, selling or other dealing in any securities, including shares, rights and warrants and

(b) by which any person, or group of persons acting in concert by virtue of an agreement, arrangement, commitment or understanding acquires direct or indirect beneficial ownership of, or exercises control or direction over, any or all of the particular securities referred to in Regulation 800.49(2)(a) above; and

(c) where the effect of the arrangement is, or will likely be, that the trading price of the particular securities referred to in

SRO Notices and Disciplinary Decisions

Regulation 800.49(2)(a) above is, or will likely be, abnormally influenced or arbitrarily dictated by the person or group of persons referred to in Regulation 800.49(2)(b) above, and is, or will likely be, distorted or artificial in that the said trading price deviates, or will likely deviate, notably from that equilibrium trading price which would otherwise reflect only the basic forces of the supply of, and the demand for, the aforesaid securities.

(3) Any Member, partner, officer, director or approved person of a Member which or who has, or ought reasonably to have had, knowledge of the arrangement referred to in Regulation 800.49(2) above and who has authorized, permitted or acquiesced in the said arrangement shall be deemed, for the purpose of Regulation 800.49(2) above, to have assisted in effecting the market corner.

(4) For the purpose of Regulation 800.49(2)(b) above, the term "control or direction" shall include but not be limited to refusing to execute sell orders, the use of discretionary accounts respecting and taking options on any of the particular securities referred to in Regulation 800.49(2)(a) above.

Chapter 25

Other Information

25.1.1 Securities

RELEASE FROM ESCROW

<u>COMPANY NAME</u>	<u>DATE</u>	<u>NUMBER AND TYPE OF SHARES</u>	<u>ADDITIONAL INFORMATION</u>
Peninsula Gold explorations Ltd.	May 12, 2000	50,458 common shares	for purposes of cancellation
Clarica Life Insurance Company (formerly Mutual Life Assurance Co. of Cdn.)	May 11, 2000	1,871,153 common shares	---
D. Alexander Wilson	May 11, 2000	28,800 Class M Shares	---
676277 Ontario Inc.	May 11, 2000	11,842 Class M Shares	---
676277 Ontario Inc.	May 11, 2000	8,986 Class M Shares	---
Kasuca Consulting Ltd	May 11, 2000	9,997 Class M Shares	---
976859 Ontario Inc.	May 11, 2000	19,994 Class M Shares	---
John F. Chamberlain	May 11, 2000	15,828 Class M Shares	---
Holt Financial Management Inc.	May 11, 2000	4,800 Class M Shares	---
Holt Financial Management Inc.	May 11, 2000	11,028 Class M Shares	---
Julie E. Kent	May 11, 2000	10,830 Class M Shares	---
Ronald Puskarich	May 11, 2000	15,828 Class M Shares	---
Stephen Browne	May 11, 2000	7,497 Class M Shares	---
D. Alexander Wilson	May 11, 2000	28,800 Class M Shares	---
676277 Ontario Inc.	May 11, 2000	11,840 Class M Shares	---
676277 Ontario Inc.	May 11, 2000	8,990 Class M Shares	---
Kasuca Consulting Ltd	May 11, 2000	10,000 Class M Shares	---
976859 Ontario Inc.	May 11, 2000	19,990 Class M Shares	---
John F. Chamberlain	May 11, 2000	15,830 Class M Shares	---
Holt Financial Management Inc.	May 11, 2000	4,800 Class M Shares	---
Holt Financial Management Inc.	May 11, 2000	11,030 Class M Shares	---
Julie E. Kent	May 11, 2000	10,830 Class M Shares	---
Ronald Puskarich	May 11, 2000	15,830 Class M Shares	---

Other Information

Stephen Browne	May 11, 2000	7,500 Class M Shares	---
D. Alexander Wilson	May 11, 2000	43,200 Class M Shares	---
676277 Ontario Inc.	May 11, 2000	17,763 Class M Shares	---
676277 Ontario Inc.	May 11, 2000	13,475 Class M Shares	---
Kasuca Consulting Ltd	May 11, 2000	14,992 Class M Shares	---
976859 Ontario Inc.	May 11, 2000	29,994 Class M Shares	---
John F. Chamberlain	May 11, 2000	23,741 Class M Shares	---
Holt Financial Management Inc.	May 11, 2000	7,200 Class M Shares	---
Holt Financial Management Inc.	May 11, 2000	16,541 Class M Shares	---
Julie E. Kent	May 11, 2000	16,245 Class M Shares	---
Ronald Puskarich	May 11, 2000	23,741 Class M Shares	---
Stephen Browne	May 11, 2000	11,244 Class M Shares	---
Gert Steffensen	May 11, 2000	19,994 Class M Shares	---
Gert Steffensen	May 11, 2000	19,990 Class M Shares	---
Gert Steffensen	May 11, 2000	29,994 Class M Shares	---
1196780 Ontario Inc.	May 11, 2000	15,828 Class M Shares	---
1196780 Ontario Inc.	May 11, 2000	15,830 Class M Shares	---
1196780 Ontario Inc.	May 11, 2000	23,741 Class M Shares	---
1196780 Ontario Inc.	May 11, 2000	8 Class M Shares	---
1196780 Ontario Inc.	May 11, 2000	8 Class M Shares	---
1196780 Ontario Inc.	May 11, 2000	16 Class M Shares	---
Julie E. Kent	May 11, 2000	14,080 Class M Shares	---
Julie E. Kent	May 11, 2000	14,080 Class M Shares	---
Julie E. Kent	May 11, 2000	21,760 Class M Shares	---
1102483 Ontario Inc.	May 11, 2000	53,520 Class M Shares	---
1102483 Ontario Inc.	May 11, 2000	79,440 Class M Shares	---
Alexander J. Brown	May 11, 2000	53,376 Class M Shares	---
Alexander J. Brown	May 11, 2000	53,376 Class M Shares	---
Alexander J. Brown	May 11, 2000	79,872 Class M Shares	---
Stephen Browne	May 11, 2000	7,040 Class M Shares	---
Stephen Browne	May 11, 2000	7,040 Class M Shares	---
Stephen Browne	May 11, 2000	10,880 Class M Shares	---

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• Nancy Collins	May 11, 2000	16,720 Class M Shares	---
Nancy Collins	May 11, 2000	16,720 Class M Shares	---
Nancy Collins	May 11, 2000	25,840 Class M Shares	---
1102680 Ontario Inc.	May 11, 2000	53,520 Class M Shares	---
1102680 Ontario Inc.	May 11, 2000	64,075 Class M Shares	---
1102680 Ontario Inc.	May 11, 2000	43,175 Class M Shares	---
1102680 Ontario Inc.	May 11, 2000	43,175 Class M Shares	---

TRANSFER WITHIN ESCROW

<u>COMPANY NAME</u>	<u>DATE</u>	<u>FROM</u>	<u>TO</u>	<u>NO. AND TYPE OF SHARES</u>
University Avenue Financial Corporation	May 16, 2000	J'Andkast Holdings Inc.	Stonewood Financial Inc.	1,300,000 common shares

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