The Ontario Securities Commission

OSC Bulletin

January 26, 2001

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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 Securites Commission
Cadillac Fairview Tower
Suite 800, Box 55
20 Queen Street West
Toronto, Ontario
M5H 3S8

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(416)597-0681 (416) 362-5211 or 1-(800) 387-2689
Fax: 8th Floor - 416-593-8122 (Office of the Secretary / Corporate Relations)
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"http://www.micromedia.on.ca/"

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Full copies of both Insider Reports and Public Filings listed in Chapters 7 and 10 respectively are available from: Demand Documents Department, Micromedia, 20 Victoria Street, Toronto, Ontario M5C 2N8 (416) 362-5211, extension 2211.

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

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1.1 Notices

1.1.1 Current Proceedings Before The Ontario Securities Commission

January 26, 2001

CURRENT PROCEEDINGS

BEFORE

ONTARIO SECURITIES COMMISSION

- -

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

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

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

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- -

THE COMMISSIONERS

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Howard Wetston, Q.C. Vice-Chair	▯	HW
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Derek Brown	▯	DB
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John A. Geller, Q.C.	▯	JAG
Robert W. Korthals	▯	RWK
Mary Theresa McLeod	▯	MTM
R. Stephen Paddon, Q.C	▯	RSP

SCHEDULED OSC HEARINGS

Date to be announced	**Mark Bonham and Bonham & Co. Inc.** s. 127 Mr. A.Graburn in attendance for staff. Panel: TBA
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
Jan 23, 25 & 26/2001	**YBM Magnex International et al.** s. 127 Mr. M. Code and Ms. K. Daniels in attendance for staff. Panel: HIW/DB/RWD
Feb 16/2001 10:00 a.m.	**Noram Capital Management, Inc. and Andrew Willman** s. 127 Ms. K. Wootton in attendance for staff. Panel: TBA
Mar 19/2001	**Wayne Umetsu** s. 60 of the Commodity Futures Act Ms. K. Wootton in attendance for staff. Panel: TBA

Apr16/2001- Apr 30/2001 10:00 a.m.	**Philip Services Corp., Allen Fracassi, Philip Fracassi, Marvin Boughton, Graham Hoey, Colin Soule, Robert Waxman and John Woodcroft** s. 127 Ms. K. Manarin & Ms. K. Wootton in attendance for staff. Panel: TBA	**ADJOURNED SINE DIE**
May 7/2001- May 18/2001 10:00 a.m.	**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: HIW / DB / MPC	**Terry G. Dodsley** **Offshore Marketing Alliance and Warren English** **First Federal Capital (Canada) Corporation and Monter Morris Friesner** **Southwest Securities** **Global Privacy Management Trust and Robert Cranston** **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** **S. B. McLaughlin**

PROVINCIAL DIVISION PROCEEDINGS

Date to be announced	**Michael Cowpland and M.C.J.C. Holdings Inc.** s. 122 Ms. M. Sopinka in attendance for staff. Ottawa
Jan 29/2001 - Jun 22/2001	**John Bernard Felderhof** Mssrs. J. Naster and I. Smith for staff. Courtroom TBA, Provincial Offences Court Old City Hall, Toronto
Jan 25/2000 10:00 a.m. Courtroom N	**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** s. 122 Mr. D. Ferris in attendance for staff. Provincial Offences Court Old City Hall, Toronto
Jan 29/2001 - Feb 2/2001 Apr 30/2001 - May 7/2001 9:00 a.m.	**Einar Bellfield** s. 122 Ms. K. Manarin in attendance for staff. Courtroom C, Provincial Offences Court Old City Hall, Toronto

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Reference: John Stevenson
Secretary to the
Ontario Securities Commission
(416) 593-8145

1.1.2 IOSCO - Recent Publication on Securities Settlement Systems

COMMITTEE ON PAYMENT AND SETTLEMENT SYSTEMS (CPSS)

AND

TECHNICAL COMMITTEE OF THE INTERNATIONAL ORGANIZATION OF SECURITIES COMMISSIONS (IOSCO)

RECENT PUBLICATION
RECOMMENDATIONS
FOR SECURITIES SETTLEMENT SYSTEMS
REPORT OF THE CPSS-IOSCO JOINT TASK FORCE ON SECURITIES SETTLEMENT SYSTEMS

CONSULTATIVE REPORT, JANUARY 2001

The International Organization of Securities Commissions (IOSCO) and the Committee on Payment and Settlement Systems (CPSS) of the central banks of the Group of Ten Countries January 26have recently published a Report containing a series of recommendations for securities settlement systems to improve the safety and efficiency of these systems. The Report, entitled *Recommendations for Securities Settlement Systems - Report of the CPSS-IOSCO Joint Task Force on Securities Settlement Systems*, is dated January 2001 and is available on the website of the Bank for International Settlements (www.bis.org) and the IOSCO website (**www.iosco.org**). The Report is also available in printed format, for a nominal charge, from the IOSCO General Secretariat. The address of the General Secretariat is noted at the IOSCO website.

The Report, developed by a Task Force of the CPSS and the IOSCO Technical Committee, discusses the design, operation and oversight of securities settlement systems. It identifies, in the form of 18 recommendations with extensive accompanying explanatory text, the minimum requirements that such systems should meet and the best practices that they should strive for. The foreword to the Report outlines the key purpose of the document: "The recommendations are designed to cover systems for all types of securities, for securities issued in both industrialised and developing countries, and for domestic as well as cross-border trades. The Report includes key questions pertaining to each of the recommendations as an important first step towards establishing a methodology for assessing the extent to which they have been implemented. The answers to these questions are intended to provide a basis for a narrative evaluation of whether the recommendations for securities settlement systems have been implemented."

Attached as Schedule A to this notice is an extract of an IOSCO Press Release in connection with the publication of the Report. The Task Force is seeking public comments from all interested parties by April 9, 2001 (inclusive). The IOSCO press release describes how comments should be submitted.

For further information on the Report contact:

Randee Pavalow
Manager, Market Regulation
Capital Markets
416-593-8257
e-mail: rpavalow@osc.gov.on.ca

Maxime Paré
Senior Legal Counsel, Market Regulation
Capital Markets
416-593-3650
e-mail: mpare@osc.gov.on.ca

SCHEDULE A

PRESS RELEASE

An IOSCO Technical Committee Release: Central Banks and Securities Regulators Propose Recommendations for Securities Settlement Systems
15 January, 2001

The International Organization of Securities Commissions (IOSCO) and the Committee on Payment and Settlement Systems (CPSS) have jointly drawn up recommendations for the design, operation and oversight of securities settlement systems. The CPSS-IOSCO Joint Task Force invites public comment on its consultative report, Recommendations for Securities Settlement Systems.

All interested parties are asked to comment by 9 April, 2001.

...

The report identifies minimum requirements that securities settlement systems should meet and the best practices that systems should strive for. These encompass the legal framework for securities settlements, risk management, access, governance, efficiency, transparency, and regulation and oversight. The report is available on the websites of IOSCO (http://www.iosco.org/) and the BIS (http://www.bis.org/).

The proposed recommendations are designed to cover systems for all securities, including equities, corporate and government bonds and money market instruments, and securities issued in both industrialised and developing countries. They also aim to cover settlement of both domestic and cross-border trades. According to Tommaso Padoa-Schioppa, CPSS Chairman, "these recommendations will promote worldwide implementation of measures that can reduce risks, increase efficiency and provide adequate safeguards for investors".

A securities settlement system is defined broadly to include the full set of institutional arrangements for confirmation, clearance and settlement of securities trades and for the safekeeping of securities. Because of the diversity of institutional arrangements internationally, the recommendations must focus on the functions to be performed, not on the institutions that may perform them. While some of the recommendations are relevant primarily to central securities depositories (CSDs), others are relevant to stock exchanges, trade associations and other operators of trade confirmation systems, central counterparties, settlement banks, or custodians and other interested parties.

Patrick Parkinson, Co-Chairman of the Task Force, explained that "securities regulators, central banks, and, in some cases, banking supervisors will need to work together and with relevant private sector entities to determine the appropriate scope of application in an individual jurisdiction, and to develop an action plan for implementation".

The CPSS-IOSCO Joint Task Force on Securities Settlement Systems was created in December 1999 with the intention of making such arrangements safer and more efficient. David Brown, Chairman of the IOSCO Technical Committee, noted that "the work of the Task Force is also in line with efforts of the Financial Stability Forum to address vulnerabilities in the international financial system".

The Task Force comprises 28 central bankers and securities regulators from 18 countries and regions and the European Union. Co-Chairman Giovanni Sabatini noted that "the consultative report also benefited from valuable inputs from participants in a consultative meeting held at the Bank for International Settlements in January 2000, which was attended by representatives from more than 50 public institutions, the International Monetary Fund and the World Bank. The Task Force has also reviewed private sector efforts in this area, notably the Group of Thirty's 1989 Standards, and has discussed the Task Force's work with private sector operators of and participants in securities settlement systems".

Procedure for Public Comment:

Comments in English are invited by post, fax or e-mail, addressed as follows:

Secretariat to the CPSS-IOSCO Joint Task Force on Securities Settlement Systems
Bank for International Settlements
CH-4002 Basel, Switzerland
Fax: +41 61 280 9100
E-mail: cpss@bis.org

(please mention "Joint Task Force Recommendations" in the subject line of the message)

It is strongly recommended that comments be sent by fax or e-mail first, to avoid delays in postal delivery. Comments will be acknowledged immediately upon receipt.

...

Notes to Editors:

1. The International Organization of Securities Commissions (IOSCO), based in Montreal, currently comprises 164 securities market regulators which have resolved to cooperate to promote high standards of regulation in order to maintain efficient and sound domestic and international securities markets. The Secretary General of IOSCO is Peter Clark, and its Technical Committee is chaired by David A. Brown, Chairman of the Ontario Securities Commission, Canada. IOSCO has published a number of reports concerning securities settlements, including Clearing and Settlement in Emerging Markets - A Blueprint (1992) and Cooperation Between Market Authorities and Default Procedures (1996). Other IOSCO reports are listed on its website (http://www.iosco.org/).

2. The Committee on Payment and Settlement Systems (CPSS) serves as a forum for the central banks of the G10 countries to monitor and analyse developments in payment and settlement arrangements and to consider related policy issues. Non-G10 central banks are increasingly involved in the Committee's work. The Chairman of the CPSS is Tommaso Padoa-Schioppa, member of the Executive Board of the European

Central Bank. The CPSS Secretariat, headed by Gregor Heinrich, is hosted by the BIS. Previous CPSS publications include: Delivery Versus Payment in Securities Settlement Systems (1992), Cross-Border Securities Settlements (1995) and Core Principles for Systemically Important Payment Systems (2001), which is also being published today. A list of CPSS publications as well as the full text of a number of recent reports in English are available on the BIS website (http://www.bis.org/).

3. The current Task Force is the third joint initiative by IOSCO and the CPSS. The previous joint projects produced the following reports: Disclosure Framework for Securities Settlement Systems (1997) and Securities Lending Transactions: Market Development and Implications (1999), both of which are available on IOSCO and the BIS websites, and copies of which can be obtained from IOSCO or the BIS. The Task Force is chaired by Patrick Parkinson, Associate Director, Division of Research and Statistics, Board of Governors of the Federal Reserve System in the United States, and Giovanni Sabatini, Head of Market Regulation Office, Commissione Nazionale per le Società e la Borsa in Italy. The Secretary of the Task Force is provided by the CPSS Secretariat.

4. Information on the Financial Stability Forum is available on the Forum's website (http://www.fsforum.org/).

Reference: Recommendations for Securities Settlement Systems OICV / IOSCO.

1.2 News Releases

1.2.1 Internet-based Resources on Investor Protection

FOR IMMEDIATE RELEASE
January 19, 2001

THE ONTARIO SECURITIES COMMISSION AND THE CANADIAN ASSOCIATION OF RETIRED PERSONS PROVIDE INTERNET-BASED RESOURCES ON THE FUNDAMENTALS OF INVESTOR PROTECTION

Toronto - Thanks to a partnership between the Ontario Securities Commission and the Canadian Association of Retired Persons, investors can now develop a better understanding of the fundamentals of investor protection by setting their Web browser at **www.fifty-plus.net**. There they can view, in video format, the Conference series entitled "Protecting Yourself Against Investment Scams and Frauds".

Topics covered by OSC Chair, David Brown, and Director of Enforcement, Michael Watson, dealt with regulatory safeguards as well as various initiatives taken by the OSC to counter investment fraud and scams.

Feedback from the conferences held in seven cities across Ontario was very positive. The OSC and CARP are pleased to be able to reach a broader audience via the Internet.

Not-for-profit organizations can obtain, free of charge, a copy of VHS tapes by contacting the OSC Inquiries Line at 416-593-8314 or toll free at 1-877-785-1555 and CARP at 416-363-8748.

References:

Alicia Ferdinand
Investor Education Officer
416-593-8307

Judy Cutler
Director of Public Relations
Canadian Association of Retired Persons
416-363-8748 Extension 241

1.2.2 CSA News Release - Know Your Adviser Before Investing

FOR IMMEDIATE RELEASE
January 17, 2001

TAKE TIME TO KNOW YOUR ADVISER BEFORE INVESTING

VANCOUVER - As RRSP season approaches, Canadians should take time to research the qualifications of the people offering them financial advice, say Canada's securities regulators.

"This is a busy time of year with many Canadians considering investment options and you don't want to be rushed into unsuitable decisions," said Doug Hyndman, chair of the Canadian Securities Administrators, an umbrella organization of Canada's 13 provincial and territorial securities regulators.

"You need to have confidence in the knowledge and skills of your financial adviser."

Except in limited circumstances, anyone selling or providing advice on investments must be registered with their provincial or territorial securities regulator. They can describe themselves using a variety of titles such as investment adviser, broker, registered representative, mutual fund salesperson, financial consultant or financial planner.

All registered individuals must have some educational qualifications. However, some have more qualifications and are authorized to sell a wider range of investment products than others. Investors should ask questions about their adviser's qualifications as well as asking about the investments they are selling.

Investors shouldn't let their adviser sell them products they don't understand, Hyndman stressed.

"Ask your advisor why they recommend particular funds or securities. Ask how much the salesperson is earning in commissions. Do they have an ulterior motive for selling a particular product? Know exactly what you are paying for," Hyndman said

Investors can contact their provincial or territorial securities regulator to see if their adviser is registered. If the person selling you an investment isn't listed, it likely means they aren't registered and that should raise an immediate red flag.

"Investors are trusting these people with their money. They have a right to demand integrity and honesty, as well as knowledge, experience and good service," Hyndman added.

INVESTIGATE BEFORE YOU INVEST - KNOW WHO'S GIVING YOU ADVICE

- Don't be afraid to ask questions. Don't invest in anything you don't understand.
- Make notes of all conversations with your adviser. Your provincial or territorial securities regulator can provide you with a free Investor Education kit that provides a

checklist for recording conversations with your adviser. These notes could help protect you if something goes wrong.

- Be wary of certain types of behaviour or sales pitches. Legitimate and qualified advisers don't need to rely on the "hard sell" or "hot tips" to retain clients.

- An adviser should not try to pressure you into an investment decision. If they do, walk out of the room or hang up the phone. No reputable adviser would engage in high-pressure sales tactics.

- Be skeptical if someone tells you there 's no written information about the investment. When someone uses that line, it's a sure sign there's something about the investment they don't want you to know.

- Be wary if you're told of an opportunity to earn uncommonly high returns. High returns usually mean high risk.

- Ask the person recommending the investment if they have a personal interest in the sale. The product may not be suitable for you and they may be promoting it because they earn higher commissions on that product.

- Try to do as much research as possible. Don't rely on a person's word or a so-called "hot tip." Every investment should stand up to hard rational scrutiny.

For more information, please contact:

Nancy Stow
Ontario Securities Commission
(416) 593-8297

Dean Pelkey
B.C. Securities Commission
(604) 899-6880

Denis Dubé
Commission des valeurs mobilières du Québec
(514) 940-2163

Bonnie Beswick
Alberta Securities Commission
(403) 297-2664

Ainsley Cunningham
Manitoba Securities Commission
(204)-945-4733

Suzanne Ball
New Brunswick Securities
Administration Branch
(506) 658-3117

1.2.3 CSA News Release - Differences between Full Service and Discount Brokers

FOR IMMEDIATE RELEASE
January 17, 2001

IS THE DO-IT-YOURSELF APPROACH RIGHT FOR YOU? CONSIDER THE DIFFERENCES BETWEEN FULL SERVICE AND DISCOUNT BROKERS

WINNIPEG -- Canadian investors are turning to discount brokers in growing numbers as more and more people take direct control of their investment decisions.

At a time of year when Canadians traditionally think about financial planning, Canada's securities regulators warn that discount brokers are not for everyone.

A discount broker provides access to markets so investors can buy and sell securities on their own. They do not provide investment advice. By comparison, a full service broker will examine your overall financial situation, gather information, make a plan based on your objectives, and provide advice as well as buy and sell securities for you.

Aside from the differing levels of service provided, other key differences include the costs of making trades and how quickly a trade can be made once you request it.

"Deciding between using a full-service broker or going it alone with a discount broker is a personal decision that investors need to think about carefully," said Doug Hyndman, chair of the Canadian Securities Administrators, an umbrella organization of Canada's 13 provincial and territorial securities regulators.

Although many consumers continue to want advice from a full service broker, the increase in the amount of available information has led many consumers to conclude that they can make investment decisions on their own without a traditional full service broker.

This has lead to more competition between brokers and an increase in the variety and type of services offered to the consumer.

"Investors need to ask themselves some questions and consider which approach is right for them," Hyndman added.

Are you ready for a discount broker? Ask yourself these questions:

- How much do I know about the markets and when to buy or sell a security?

- Do I have access to information about the markets and companies that I may invest in? Am I in a position to interpret and understand this information?

- Do I want to invest in specific stocks or would I prefer investing in professional managed products such as mutual funds?

- How actively do I want to manage my investments? Am I prepared to let my investments stay in one place or do I intend to actively buy and sell securities in an attempt to achieve return on investment?
- What level of risk am I prepared to accept to achieve my investment objectives?
- Why am I investing? Do I need investments to fund my retirement? Are my investments extra money that I can afford to lose without hurting my standard of living?
- How much time am I willing to put into overseeing my investments?
- What is the difference in cost between full and discount broker services?
- How can I trade -- personal contact, telephone or home computer?
- How quickly will the trade be executed once I order it?
- What level of customer service will be provided if there are problems on my account?

For more information, please contact:

Nancy Stow
Ontario Securities Commission
(416) 593-8297

Dean Pelkey
B.C. Securities Commission
(604) 899-6880

Denis Dubé
Commission des valeurs mobilières du Québec
(514) 940-2163

Bonnie Beswick
Alberta Securities Commission
(403) 297-2664

Ainsley Cunningham
Manitoba Securities Commission
(204)-945-4733

Suzanne Ball
New Brunswick Securities
Administration Branch
(506) 658-3117

1.2.4 OSC Rules on Application to Cease -Trade Chapters' Shareholder Rights Plan

FOR IMMEDIATE RELEASE
January 21, 2001

OSC RULES ON APPLICATION TO CEASE -TRADE CHAPTERS' SHAREHOLDER RIGHTS PLAN

TORONTO - The Ontario Securities Commission held a hearing today to consider an application by Trilogy Retail Enterprises LP to cease-trade the shareholder rights plan of Chapters Inc. At the conclusion of the hearing, the Commission decided that it was in the public interest to issue a cease-trade order, effective immediately, with respect to Chapters' shareholder rights plan.

The Commission will issue reasons for its decision in due course.

Reference:

Rowena McDougall
Senior Communications Officer
Ontario Securities Commission
(416) 593-8117

1.2.5 CSA News Release - Internet Not Always a Safe Bet

FOR IMMEDIATE RELEASE
January 22, 2001

INTERNET NOT ALWAYS A SAFE BET FOR ACCURATE INVESTOR INFORMATION

VANCOUVER -- The Internet offers investors a wide range of information but not all of it is true or accurate, warn Canada's securities regulators.

Web sites featuring chat rooms or bulletin boards devoted to investing and the stock market are increasingly being used to "pump up" thinly traded stocks, particularly companies listing on the Over-the-Counter Bulletin Boards.

"Buying stocks based on information posted in a chat room is like buying stocks based on a note tacked to a wall outside a grocery store," said Doug Hyndman, chair of the Canadian Securities Administrators, an umbrella organization of Canada's 13 provincial and territorial securities regulators.

"The anonymous nature of the Internet allows people to easily exaggerate and lie. People can claim to be any sort of expert and there's no easy way to verify their claims."

At one time stock manipulation was limited to boiler rooms and shady stock promoters. Thanks to the Internet, that's no longer true.

Two recent Canadian incidents drive home this fact and show how market manipulation works.

In February, the BC Securities Commission investigated a fake posting on **www.stockhouse.ca** claiming two companies were prepared to merge. The posting included an alleged news release. Around the same time, stock in one of the companies - which had been trading for less than $1 - began to rise. All the claims turned out to be false, including the news release. The posting was eventually traced to Fanshawe College in London, Ontario. The investigation remains ongoing.

In October, the Commission des valeurs mobilieres du Quebec handed a former employee of investment dealer TD Evergreen a four-month suspension for his role in pumping a stock through an Internet chat room. The CVMQ found the man posted a message on a Quebec financial web site claiming a company would make a major announcement. The employee, who used a pseudonym, claimed he had just bought 1,000 shares in the company and he urged others to do likewise.

Internet postings pumping stocks have become even more widespread in the U.S. with the Securities and Exchange Commission considering charges against a New Jersey teen who allegedly made more than $800,000 (U.S.) manipulating penny stocks on the Internet.

U.S. regulators estimate that as many as half the messages in Internet chat rooms contain false information.

Investigate Before You Invest - Tips for Using the Internet

- Don't believe everything you read. Remember how easy it is to disguise your identity online. The scams usually involve projects in remote corners of the globe that can't be easily checked out, or use endless technical jargon that can only be debunked by experts.
- Avoid claims of "inside information." Hot tips posted online are seldom, if ever, true. Remember, trading on inside information is illegal in Canada.
- Don't buy thinly traded, little known stocks based on information from a chat room. These types of securities are easily manipulated. Unlike blue chip stocks, the price of thinly traded, low priced shares can be moved significantly by relatively small trades.
- Don't assume that your online service provider polices its investment bulletin boards. Most don't. The volume of postings often swamp the ones that try. Often there is nothing to stop a con artist from posting one or 100 pitches for a swindle.
- Always take the time to do your own research using reputable information sources. Seek advice from a qualified, independent financial adviser.

For more information, please contact:

Nancy Stow
Ontario Securities Commission
(416) 593-8297

Dean Pelkey
B.C. Securities Commission
(604) 899-6880

Denis Dubé
Commission des valeurs mobilières du Québec
(514) 940-2163

Bonnie Beswick
Alberta Securities Commission
(403) 297-2664

Ainsley Cunningham
Manitoba Securities Commission
(204)-945-4733

Suzanne Ball
New Brunswick Securities
Administration Branch
(506) 658-3117

1.2.6 CSA News Release - Leveraging a Risky Strategy

FOR IMMEDIATE RELEASE
January 22, 2001

LEVERAGING A RISKY STRATEGY TO INCREASE INVESTMENT RETURNS

WINNIPEG - As Canadians ponder how much money to sock away in their RRSPs, some investors might be tempted by leveraging.

But Canada's securities regulators warn that leveraging -- borrowing money to invest -- can be a risky strategy not suited for all investors.

"The idea of borrowing money to purchase a car or a home is not unusual. However, the idea of borrowing money to invest is quite foreign to the average person," says Doug Hyndman, chair of the Canadian Securities Administrators, an umbrella organization of Canada's 13 provincial and territorial securities regulators.

Leveraging your investments involves paying a portion of your own money and borrowing the rest. Borrowing money allows you to make a larger investment. The more you invest, the greater the potential returns. However, leveraging can also result in increased losses.

For example, if you purchase 100 shares of a company at $25 per share, the initial investment would come to $2,500. If the shares go up by 10 per cent, you make $250.

If you invest your $2,500 and borrow a further $2,500 you can buy 200 shares. With a 10 per cent return, you make $500. While the share value has increased by 10 per cent, you made a 20 per cent return on your original $2,500 investment (less the cost of borrowing).

But if the investment decreases, your losses are magnified. If the shares fall by 10 per cent, you lose $500 of your original $2,500 and still have to pay the cost of borrowing the additional $2,500.

"If your financial advisor suggests leveraging, make sure they explain all of the risks involved. Don't be persuaded into leveraging if you don't fully understand the idea or you're not comfortable with it," Hyndman said.

As long as an investment increases at a rate higher than the cost of borrowing, leveraging can be an effective way to magnify returns. Interest and inflation rates must be carefully monitored because increased interest rates will increase the cost of borrowing, diminishing any gains.

Because of the very real possibility that investments could decrease and losses magnified, it is important to determine whether or not borrowing to invest is appropriate for you.

Consider the following points:

- Understand the risks of borrowing to invest (in particular the risks of using collateral as security for the loan).
- Ensure that leveraged investments are at your risk tolerance level. The fact that leveraging can magnify your losses makes investing even riskier.
- Borrow only an amount that you can comfortably pay back. You should be able to make the loan payments out of your regular cash flow.
- Understand exactly how the interest and repayment terms of your loan work.
- Understand exactly how much money you will lose in a worst-case scenario.
- Ensure that the interest on the borrowed money is tax deductible.

For more information, please contact:

Nancy Stow
Ontario Securities Commission
(416) 593-8297

Dean Pelkey
B.C. Securities Commission
(604) 899-6880

Denis Dubé
Commission des valeurs mobilières du Québec
(514) 940-2163

Bonnie Beswick
Alberta Securities Commission
(403) 297-2664

Ainsley Cunningham
Manitoba Securities Commission
(204)-945-4733

Suzanne Ball
New Brunswick Securities
Administration Branch
(506) 658-3117

1.2.7 CSA News Release - Ten Tips to Help Safeguard Your Money

FOR IMMEDIATE RELEASE
January 22, 2001

TEN TIPS TO HELP SAFEGUARD YOUR MONEY

MONTRÉAL – In the coming weeks, many Canadians will be bombarded with advertising promoting mutual funds, RRSPs and other investment opportunities. The steady diet of financial promotions can leave many people scratching their heads. Whom should you trust? What should you invest in? How do you keep track of your assets? Where do you get information?

The Canadian Securities Administrators, an umbrella organization of Canada's 13 provincial and territorial securities regulators, offer the following 10 tips to help safeguard your investments.

1. Shop around for your securities dealer or adviser. Ask friends for referrals.

2. Check with the provincial or territorial securities authorities to see if your dealer or adviser is registered. Verify whether the dealer or adviser has a record of misconduct.

3. Compare the costs of services offered by the firm you want to do business with. Make sure you understand the fees and the way your adviser makes money.

4. Clearly define your investment goals and determine your tolerance for risk. Ask your provincial or territorial securities regulator for the brochure Getting Started. This brochure will help you develop your investment strategy.

5. Before opening a margin account (borrowing money from your brokerage firm to buy stock) learn about the consequences. If your stock falls in price, you can lose your investment and still have to repay the loan.

6. Diversify your investments: don't put all your eggs in one basket.

7. Read the prospectus of any company in which you are thinking of investing. If you need more information or don't understand the prospectus, see the brochure The Prospectus.

8. Ask questions and take notes of your conversations with your adviser.In the event something goes wrong, these notes can protect you.

9. Periodically review your portfolio. Give clear instructions to your adviser on the trades you want to make (name of security, number of shares, prices, etc.). As your own situation changes (death, divorce, employment, etc.), your needs will change as well. Your adviser has to know this to best serve your interests.

10. Be skeptical of people who promise big profits. Don't believe all the information you find on the Internet.

For more information, please contact:

Nancy Stow
Ontario Securities Commission
(416) 593-8297

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B.C. Securities Commission
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New Brunswick Securities
Administration Branch
(506) 658-3117

Chapter 2

Decisions, Orders and Rulings

2.1 Decisions

2.1.1 LGS Group Inc. - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications - Decision declaring corporation to be no longer a reporting issuer following the acquisition of all of its outstanding securities by another 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, QUÉBEC, NOVA SCOTIA, AND NEWFOUNDLAND

AND

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

AND

IN THE MATTER OF LGS GROUP INC.

MRRS DECISION DOCUMENT

WHEREAS the local securities regulatory authority or regulator (the "Decision Maker") in each of British Columbia, Alberta, Saskatchewan, Ontario, Québec, Nova Scotia, and Newfoundland (collectively, the "Jurisdictions") has received an application from LGS Group Inc. ("LGS") for a decision pursuant to the securities legislation of the Jurisdictions (the "Legislation"), in connection with the offers by IBM Acquisition Inc. (the "Canadian Offeror") and IBM Acquisition II L.L.C. (collectively, the "Offeror") to purchase all of the issued and outstanding class A Subordinate Voting Shares (the "Class A Shares") and Class B Multiple Voting Shares (the "Class B Shares" and, collectively with the Class A Shares, the "Shares") of LGS in exchange for consideration of $19.00 per Share or exchangeable shares of the Canadian Offeror, that LGS be deemed to have ceased to be a reporting issuer under the Legislation;

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 this application;

AND WHEREAS LGS has represented to the Decision Makers that:

1. The Canadian Offeror is a corporation incorporated under the laws of Canada and is an indirect wholly-owned subsidiary of International Business Machines Corporation, a corporation incorporated under the laws of the State of New York. The Canadian Offeror was incorporated on March 10, 2000 for the purpose of making the Offers (as defined below). The Canadian Offeror has no material assets or liabilities and no operating history.

2. LGS is a corporation incorporated under the laws of Canada.

3. LGS is a reporting issuer in all Provinces of Canada, other than New Brunswick and Prince Edward Island which provinces do not have reporting issuer provisions in their securities legislation.

4. LGS's authorized share capital consists of an unlimited number of first preferred shares, issuable in series ("First Preferred Shares"), an unlimited number of second preferred shares, issuable in series ("Second Preferred Shares"), an unlimited number Class A Shares, an unlimited number of Class B Shares, and an unlimited number of Class C Multiple Voting Shares ("Class C Shares"). As of September 25, 2000 there were outstanding 11,853,002 Class A Shares, 2,852,000 Class B Shares, and no First Preferred Shares, Second Preferred Shares or Class C Shares.

5. The Offeror by Offers to Purchase dated March 15, 2000 offered to purchase (i) all of the issued and outstanding Class A Shares (the "Class A Offer") and (ii) all of the issued and outstanding Class B Shares (the "Class B Offer" and together with the Class A Offer, the "Offers"), including, in the case of the Class A Offer, Class A Shares issuable upon the exercise of existing options, warrants, rights, or other entitlements (collectively, "Rights") to acquire Class A Shares and in the case of the Class B Offer, Class B Shares issuable upon the exercise of existing Rights, for consideration per Share consisting of C$19.00.

6. The Offers expired on April 5, 2000. At the expiry time the Offers had been accepted by the holders of not less than 90% of the issued and outstanding Class A Shares and by 100% of the holders of the issued and outstanding Class B Shares, other than the Shares held on the date of the Offers by or on behalf of the Offeror and its affiliates and associates (as such terms are defined in the *Canada Business Corporations Act* ("CBCA")), and such Shares have been taken up and paid for by the Offeror.

7. On April 20, 2000, the Offeror mailed a compulsory acquisition notice to the persons who had not accepted the Offers (the "Dissenting Offerees") pursuant to the provisions of the CBCA to acquire any Class A Shares held by the Dissenting Offerees on the same terms as those on which the Offeror acquired the Class A Shares of the shareholders of LGS who had accepted the Offers.

8. The Offeror is the beneficial holder of all Class A Shares and Class B Shares issued and outstanding as of September 25, 2000. Other than the Class A Shares and the Class B Shares, LGS has no other outstanding securities.

9. The Class A Shares were de-listed from the Toronto Stock Exchange at the close of business on May 4, 2000 and were de-listed from the The Nasdaq Stock Market, Inc. on April 11, 2000. As a result of such de-listings, no securities of LGS are listed or posted for trading on any stock exchange.

10. LGS has no intention of seeking public financing by way of an offering of securities.

11. The head office of LGS is currently located in Montreal, Quebec and the Offeror has no plans to effect any relocation of such head office in the immediate future. However, from a functional and operational perspective, the affairs of LGS are now effectively being directed and managed by IBM Canada Inc., through its head office located in Markham, Ontario.

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 LGS is deemed to have ceased to be a reporting issuer under the Legislation.

DATED at Montréal, Québec this October 19th, 2000.

Michel Vadnais
Le chef du service de l'information financière,

AFFAIRE INTÉRESSANT LA LÉGISLATION EN VALEURS MOBILIÈRES DE LA COLOMBIE-BRITANNIQUE, DE L'ALBERTA, DE LA SASKATCHEWAN, DE L'ONTARIO, DU QUÉBEC, DE LA NOUVELLE-ÉCOSSE ET DE TERRE-NEUVE

ET

LE RÉGIME D'EXAMEN CONCERTÉ DES DEMANDES DE DISPENSE

ET

GROUPE LGS INC.

DOCUMENT DE DÉCISION DU REC

CONSIDÉRANT QUE l'autorité locale en valeurs mobilières ou l'agent responsable (le «décideur») respectif de la Colombie-Britannique, de l'Alberta, de la Saskatchewan, de l'Ontario, du Québec, de la Nouvelle-Écosse et de Terre-Neuve (les « territoires ») a reçu de Groupe LGS Inc. (« LGS ») une demande de décision en vertu de la législation en valeurs mobilières des territoires (la « législation »), relativement aux offres d'IBM Acquisition Inc. (l'« initiateur canadien ») et d'IBM Acquisition II L.L.C. (collectivement, l'« initiateur ») visant l'achat de la totalité des actions subalternes de catégorie A à droit de vote émises et en circulation (les « actions de catégorie A ») et des actions de catégorie B à droit de vote multiple (les « actions de catégorie B » et, collectivement, avec les actions de catégorie A, les « actions ») de LGS en contrepartie de 19,00 $ par action ou en contrepartie d'actions échangeables de l'initiateur canadien, selon laquelle LGS soit réputée avoir cessé d'être un émetteur assujetti en vertu de la législation;

CONSIDÉRANT 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;

CONSIDÉRANT QUE LGS a déclaré aux décideurs ce qui suit:

1. L'initiateur canadien est une société par actions constituée en vertu des lois du Canada et est une filiale en propriété exclusive indirecte de International Business Machines Corporation, société par actions constituée en vertu des lois de l'État de New York. L'initiateur canadien a été constitué le 10 mars 2000 aux fins de la présentation des Offres (au sens attribué à ce terme ci-après). L'initiateur canadien n'a aucun actif ni aucun passif important et aucun historique d'exploitation.

2. LGS est une société par actions constituée en vertu des lois du Canada.

3. LGS est un émetteur assujetti dans chacune des provinces canadiennes, sauf au Nouveau-Brunswick et à l'Île-du-Prince-Édouard où la législation en valeurs mobilières ne prévoit aucune disposition visant les émetteurs assujettis.

4. Le capital-actions autorisé de LGS se compose d'un nombre illimité d'actions privilégiées de premier rang pouvant être émises en série (les « actions privilégiées de premier rang »), d'un nombre illimité d'actions privilégiées de deuxième rang pouvant être émises en série (les « actions privilégiées de deuxième rang »), d'un nombre illimité d'actions de catégorie A, d'un nombre illimité d'actions de catégorie B et d'un nombre illimité d'actions de catégorie C à droit de vote multiple (les « actions de catégorie C »). En date du 25 septembre 2000, 11 853 002 actions de catégorie A et 2 852 000 actions de catégorie B étaient en circulation et aucune action privilégiée de premier rang, aucune action privilégiée de deuxième rang ni aucune action de catégorie C n'était en circulation.

5. L'initiateur a offert d'acheter, aux termes des offres d'achat datées du 15 mars 2000, (i) la totalité des actions de catégorie A émises et en circulation (l'« offre visant la catégorie A ») et (ii) la totalité des actions de catégorie B émises et en circulation (l'« offre visant la catégorie B » et, avec l'offre visant la catégorie A, les « Offres »), y compris, dans le cas de l'offre visant la catégorie A, les actions de catégorie A pouvant être émises à la levée des options et des bons de souscription ou à l'exercice de tous les autres droits en circulation (collectivement, les « droits d'acquisition ») visant l'acquisition d'actions de catégorie A et, dans le cas de l'offre visant la catégorie B, les actions de catégorie B pouvant être émises au moment de l'exercice des droits d'acquisition existants, en contrepartie de 19,00 $ CA par action.

6. Les Offres ont expiré le 5 avril 2000. Au moment de l'expiration, les Offres avaient été acceptées par les porteurs d'au moins 90 % des actions de catégorie A émises et en circulation et par les porteurs de la totalité des actions de catégorie B émises et en circulation, à l'exclusion des actions détenues à la date des Offres par l'initiateur, les membres de son groupe et les personnes avec lesquelles il a des liens ou pour le compte de ces derniers (au sens attribué à ces termes dans la *Loi canadienne sur les sociétés par actions* (la « LCSA »)), et ces actions ont été prises en livraison et payées par l'initiateur.

7. Le 20 avril 2000, l'initiateur a posté un avis d'acquisition forcée aux personnes n'ayant pas accepté les offres (les « pollicités dissidents ») conformément aux dispositions de la LCSA en vue d'acquérir les actions de catégorie A détenues par les pollicités dissidents, selon les modalités suivant lesquelles l'initiateur avait acquis les actions de catégorie A des actionnaires de LGS qui avaient accepté les Offres.

8. L'initiateur est le porteur véritable de la totalité des actions de catégorie A et des actions de catégorie B émises et en circulation en date du 25 septembre 2000. À l'exception des actions de catégorie A et des actions de catégorie B, LGS n'a aucun autre titre en circulation.

9. Les actions de catégorie A ont été retirées de la cote de la Bourse de Toronto à la fermeture des bureaux le 4 mai 2000 et de la cote de *The Nasdaq Stock Market, Inc.* le 11 avril 2000. Par suite de ces radiations de la cote, aucun titre de LGS n'est inscrit ou affiché à des fins de négociation à quelque bourse que ce soit.

10. LGS n'a pas l'intention d'émettre d'autres titres dans le public.

11. Le siège social de LGS se situe actuellement à Montréal, au Québec, et l'initiateur ne prévoit pas le déménager dans un proche avenir. Toutefois, sur le plan du fonctionnement et de l'exploitation, les affaires de LGS sont désormais effectivement dirigées et gérées par IBM Canada Inc., par l'entremise de son siège social situé à Markham, en Ontario.

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

ET CONSIDÉRANT QUE chacun des décideurs est d'avis que les critères prévus dans la législation qui lui accordent le pouvoir discrétionnaire ont été respectés;

LA DÉCISION des décideurs en vertu de la législation est que LGS soit réputée avoir cessé d'être un émetteur assujetti en vertu de la législation.

Fait à Montréal (Québec) le19th octobre 2000.

Michel Vadnais
Le chef du service de l'information financière

2.1.2 Desjardins Trust & Fund - MRRS Decision

Headnote

Investment for specified purpose by mutual funds in securities of another mutual fund that is under common management exempted from the requirements of clause 111(2)(b), subsection 111(3), clauses 117(1)(a), and 117(1)(d) subject to certain specified conditions.

Statutes Cited

Securities Act (Ontario), R.S.O. 1990 c.S.5, as am. ss. 111(2)(b), 111(3), 113, 117(1)(a), 117(1)(d), 117(2), and 121(2)(a)(ii).

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

AND

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

AND

IN THE MATTER OF

DESJARDINS TRUST INVESTMENT SERVICES INC.

AND

DESJARDINS INTERNATIONAL RSP FUND

MRRS DECISION DOCUMENT

WHEREAS the local securities regulatory authority or regulator (the "Decision Maker") in each of the provinces of British Columbia, Alberta, Saskatchewan, Ontario, Nova Scotia and Newfoundland (the "Jurisdictions") has received an application (the "Application") from Desjardins Trust Investment Services Inc.("DTIS"), Desjardins International RSP Fund ("International RSP Fund") and other mutual funds managed by DTIS after the date of this Decision (defined herein) (collectively referred to as the 'Top Funds) having an investment objective or strategy that is linked to the returns or portfolio of another specified DTIS managed mutual fund, for a decision pursuant to the securities legislation of the Jurisdictions (the "Legislation") that the following provisions in the Legislation (the "Applicable Requirements") shall not apply in connection with certain investments to be made by the International RSP Fund in the Desjardins International Fund ("International Fund") and by the other Top Funds in their applicable corresponding DTIS managed mutual funds from time to time (the funds in which such investments are to be made being collectively referred to as the "Underlying Funds"):

1. the restrictions contained in the Legislation prohibiting a mutual fund from knowingly making or holding an investment in a person or company in which the mutual fund, alone or together with one or more related mutual funds, is a substantial security holder; and

2. the requirements contained in the Legislation requiring a management company, or in British Columbia, a mutual fund manager, to file a report relating to a purchase or sale of securities between the mutual fund and any related person or company, or any transaction in which, by arrangement other than an arrangement relating to insider trading in portfolio securities, the mutual fund is a joint participant with one or more of its related persons or companies;

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 it has been represented by DTIS to the Decision Makers that:

1. Each of the Top Funds and each of the Underlying Funds (collectively, the "Funds"), is, or will be, an open-ended mutual fund trust established under the laws of the Province of Québec.

2. DTIS is a corporation incorporated under the laws of the Province of Québec and is, or will be, the manager of each of the Top Funds and the Underlying Funds. Desjardins Trust Inc. ("Desjardins Trust") is a corporation incorporated under the laws of Québec and is, or will be, the trustee and promoter of the Top Funds and the Underlying Funds. DTIS, the manager, is a wholly-owned subsidiary of Desjardins Trust, the trustee. The head office of DTIS is in Montreal, Quebec.

3. Elantis Investment Management Inc. is, or will be, the portfolio manager (the 'Portfolio Manager') of the Top Funds and the Underlying Funds. The Portfolio Manager is a wholly-owned subsidiary of Societé financiere Desjardins - Laurentienne Inc. ("Laurentienne")

4. Laurentienne also holds all the outstanding shares of Gestion de services financiers specialisés Desjardins Inc., which owns all the outstanding shares of Fiducie Desjardins Inc.

5. The Top Funds and the Underlying Funds will be reporting issuers. The securities of the Top Funds and the Underlying Funds will be qualified under a preliminary and pro forma simplified prospectus and annual information form which were filed in all provinces and territories under SEDAR project number 310218.

6. The simplified prospectus will disclose the investment objectives, investment strategies, risks and restrictions of the Top Funds and the Underlying Funds. The investment objective of the Top Funds will include disclosure of the names of the Underlying Funds and the Top Funds' total aggregate derivative exposure to, and direct investment in the Underlying Funds.

7. The investment objectives of the Underlying Funds are, or will be, achieved through investment primarily in foreign securities.

8. The investment objective of the Top Funds is, or will be, to provide long-term capital growth, primarily through the implementation of a derivative strategy that provides a return linked to the return of the applicable Underlying Fund. Each Top Fund will also invest directly in the applicable Underlying Fund up to the amount prescribed from time to time as the maximum permitted amount which may be invested in foreign property under the *Income Tax Act* (Canada) (the "Tax Act") without the imposition of tax under Part XI of the Tax Act (the "Foreign Property Maximum").

9. To achieve its investment objective, each of the Top Funds will invest its assets in securities such that its units will, in the opinion of tax counsel to the Top Fund, be "qualified investments" for registered retirement savings plans, registered retirement income funds, deferred profit sharing plans and similar plans (collectively, the "Registered Plans") under the Tax Act and will not constitute foreign property in a Registered Plan.

10. The direct investment by a Top Fund in units of the applicable Underlying Fund will be within the Foreign Property Maximum (the "Permitted Limit"). DTIS and the Top Funds will comply with the conditions of this Decision in respect of such investments. The amount of direct investment by each Top Fund in its applicable Underlying Fund will be adjusted from time to time so that, except for transitional cash, the aggregate of derivative exposure to, and direct investment in, the Underlying Fund will equal 100% of the assets of the Top Fund.

11. Except to the extent evidenced by this Decision and specific approvals granted by the Canadian securities administrators pursuant to National Instrument 81-102 Mutual Funds ("NI 81-102"), the investments by the Top Funds in the Underlying Funds have been, or will be, structured to comply with the investment restrictions of the Legislation and NI 81-102.

12. In the absence of this Decision, pursuant to the Legislation, the Top Funds are prohibited from (a) knowingly making an investment in a person or company in which the mutual fund, alone or together with one or more related mutual funds, is a substantial unitholder; and (b) knowingly holding an investment referred to in clause (a) hereof. As a result, in the absence of this Decision the Top Funds would be required to divest themselves of any such investments.

13. In the absence of this Decision, the Legislation requires DTIS to file a report on every purchase or sale of securities of the Underlying Funds by the Top Funds.

14. The Top Funds' investment in or redemption of units of their corresponding Underlying Funds represents the business judgment of responsible persons, uninfluenced by considerations other than the best interest of the Top Funds.

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 Applicable Requirements shall not apply so as to prevent a Top Fund from making or holding an investment in securities of an Underlying Fund,

PROVIDED IN EACH CASE THAT:

1. the Decision, as it relates to the jurisdiction of a Decision Maker, will terminate one year after the publication in final form of any legislation or rule of that Decision Maker dealing with the matters in section 2.5 of NI 81-102; and

2. the Decision shall only apply if, at the time a Top Fund makes or holds an investment in an Underlying Fund, the following conditions are satisfied:

   a. the securities of both the Top Fund and the Underlying Fund are being offered for sale in the jurisdiction of the Decision Maker pursuant to a simplified prospectus and annual information form which has been filed with and accepted by the Decision Maker;

   b. the investment by the Top Fund in the Underlying Fund is compatible with the fundamental investment objectives of the Top Fund;

   c. the simplified prospectus discloses the intent of the Top Fund to invest directly and indirectly (through derivative exposure) in the Underlying Fund;

   d. the investment objective of the Top Fund discloses the name of the Underlying Fund;

   e. the Underlying Fund is not a mutual fund whose investment objective includes investing directly or indirectly in other mutual funds;

   f. the Top Fund restricts its direct investment in the Underlying Fund to a percentage of its assets that is within the Permitted Limit;

   g. there are compatible dates for the calculation of the net asset value of the Top Fund and the Underlying Fund for the purpose of the issue and redemption of securities of such mutual funds;

   h. no sales charges are payable by the Top Fund in relation to its purchases of securities of the Underlying Fund;

i. no redemption fees or other charges are charged by the Underlying Fund in respect of the redemption by the Top Fund of securities of the Underlying Fund owned by the Top Fund;

j. no fees and charges of any sort are paid by the Top Fund and the Underlying Fund, by their respective managers or principal distributors, or by any affiliate or associate of any of the foregoing entities to anyone in respect of the Top Fund's purchase, holding or redemption of the securities of the Underlying Fund;

k. the arrangements between or in respect of the Top Fund and the Underlying Fund are such as to avoid the duplication of management fees;

l. any notice provided to securityholders of the Underlying Fund, as required by applicable laws or the constating documents of the Underlying Fund, has been delivered by the Top Fund to its securityholders along with all voting rights attached to the securities of the Underlying Fund which are directly owned by the Top Fund.

m. all of the disclosure and notice material prepared in connection with a meeting of securityholders of the Underlying Fund and received by the Top Fund has been provided to its securityholders, the securityholders have been permitted to direct a representative of the Top Fund to vote its holdings in the Underlying Fund in accordance with their direction, and the representative of the Top Fund has not voted its holdings in the Underlying Funds except to the extent the securityholders of the Top Fund have directed;

n. in addition to receiving the annual and, upon request, the semi-annual financial statements of the Top Fund, securityholders of the Top Fund have received the annual and, upon request, the semi-annual financial statements, of the Underlying Fund in either a combined report, containing financial statements of the Top Fund and the Underlying Fund, or in a separate report containing the financial statements of the Underlying Fund; and

o. to the extent that the Top Fund and the Underlying Fund do not use a combined simplified prospectus and annual information form containing disclosure about the Top Fund and the Underlying Fund, copies of the simplified prospectus and annual information form of the Underlying Fund have been provided upon request to securityholders of the Top Fund and this right is disclosed in the simplified prospectus of the Top Fund.

January 4, 2001.

"J.A. Geller" "Howard I. Wetston"

2.1.3. Watercan Inc. - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications - Reporting issuer deemed to have ceased to be a reporting issuer - only one security holder remaining.

Subsection 1(6) of the OBCA - Issuer deemed to have ceased to be offering its securities to the public under the *Business Corporations Act* (Ontario).

Applicable Ontario Statutory Provisions

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

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

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

AND

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

AND

IN THE MATTER OF
WATERCAN INC.

MRRS DECISION DOCUMENT

WHEREAS the local securities regulatory authority or regulator (the "Decision Maker") in each of Alberta, Saskatchewan, Ontario, Nova Scotia and Newfoundland (the "Jurisdictions") has received an application from Watercan Inc. (the "Filer") for:

(i) a decision under the securities legislation of the Jurisdictions (the "Legislation") that the Filer be deemed to have ceased to be a reporting issuer or its equivalent under the Legislation; and

(ii) in Ontario only, an order pursuant to the *Business Corporations Act* (Ontario) (the "OBCA") that the Filer be deemed to have ceased to be offering its securities to the public;

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 Markers that:

1. The Filer is a company existing under the OBCA with its head office located in Toronto, Ontario.

2. The Filer was formed on November 9, 2000 by the amalgamation of Jascan Resources Inc. ("Jascan") and a wholly-owned subsidiary of Breakwater Resources Ltd. ("Breakwater") pursuant to an arrangement (the "Arrangement") completed under section 182 of the OBCA.

3. Following the completion of the Arrangement, the Filer became a reporting issuer or its equivalent under the Legislation by virtue of Jascan having been a reporting issuer under the Legislation for at least twelve months.

4. Other than a failure to file interim financial statements on or before November 29, 2000 for the period ending September 30, 2000, the Filer is not in default of any requirement of the Legislation.

5. The authorized capital of the Filer consists of, among other securities, an unlimited number of common shares ("Watercan Shares"), of which one Watercan Share is outstanding. The single outstanding Watercan Share is owned and controlled by Breakwater, and there are no other securities, including debt securities, of the Filer outstanding.

6. Prior to the Arrangement becoming effective, the common shares of Jascan were listed on The Toronto Stock Exchange. The common shares of Jascan were delisted from The Toronto Stock Exchange on November 16, 2000 and there are no securities of Jascan or the Filer listed or quoted on any exchange or market in Canada.

7. The Filer does not intend to seek public financing by way of an issue of securities of the Filer.

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 that 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 is deemed to have ceased to be a reporting issuer or its equivalent under the Legislation.

December 21, 2000.

John Hughes
Manager, Continuous Disclosure

AND IT IS HEREBY ORDERED by the Ontario Securities Commission pursuant to subsection 1(6) of the OBCA that the Filer is deemed to have ceased to be offering its securities to the public for the purposes of the OBCA.

December 21, 2000.

"Howard I. Wetston" "J.A. Gellar"

2.1.4 Verticore & Narrowcast Communications - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications - Registration and prospectus relief granted in respect of trades in shares or non-reporting U.S. issuer upon exercise of various rights attached to exchangeable securities of non-reporting Ontario issuer - first trade relief granted in respect of trades in shares of U.S. non-reporting issuer provided trades made as market outside of Ontario and de minimus market in Ontario at time trades are executed.

Applicable Ontario Statutes

Securities Act, R.S.O. 1990, c.S.5, as am., ss. 25, 53, 72(5), 74.

Applicable Ontario Rules

Rule 45-501: Exempt Distributions, (1998) 21 .S.C.B. 6548.

Rule 72-501: Prospectus Exemption for First Trade Over a Market Outside Ontario, (1998) 21 O.S.C.B. 3873.

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

AND

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

AND

IN THE MATTER OF VERTICORE COMMUNICATIONS LTD.

AND

NARROWCAST COMMUNICATIONS CORP.

MRRS DECISION DOCUMENT

WHEREAS the local securities regulatory authority or regulator (the "Decision Maker") in each of British Columbia, Alberta, Saskatchewan and Ontario (collectively, the "Jurisdictions") has received an application (the "Application") from Verticore Communications Ltd. ("Verticore") and Narrowcast Communications Corp. ("Narrowcast"), for a decision pursuant to the securities legislation, regulations, rules and/or policies of the Jurisdictions (the "Legislation") that certain trades in securities of Narrowcast shall not be subject to the requirements contained in the Legislation to be registered to trade in a security (the "Registration Requirement") and to file a preliminary prospectus and a prospectus and receive receipts therefor (the "Prospectus Requirement");

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 Verticore and Narrowcast have represented to the Decision Makers that:

1. Verticore, a corporation incorporated under the laws of the Province of Ontario, is not a reporting issuer under the Legislation. Verticore is engaged in the electronic distribution and display of information and advertising in specific locations including elevator cabs and elevator waiting areas.

2. In order to provide better access to the United States capital markets, Verticore completed a reorganization (the "Reorganization") on August 22, 2000. As a result of the Reorganization, Verticore became an indirect, wholly-owned subsidiary of Narrowcast.

3. Narrowcast is a company organized under the laws of Delaware and is not a reporting issuer under the Legislation. None of Narrowcast's securities have been registered under the United States *Securities Exchange Act of 1933*, as amended, and none of its securities are publicly traded on any stock exchange or market. Narrowcast is engaged in the electronic distribution and display of information and advertising in specific locations including elevator cabs and elevator waiting areas.

4. As part of the Reorganization, articles of amendment were filed on August 21, 2000 under the *Business Corporation Act* (Ontario) in respect of Verticore (the "Articles of Amendment") pursuant to which (a) three new classes of exchangeable shares were created (each an "Exchangeable Share", collectively, the "Exchangeable Shares"); (b) a class of New Common Shares was created; and (c) each issued and outstanding share of Verticore was changed into one newly created Exchangeable Share of the class set out opposite such existing share class below:

Verticore Share Classes (Pre-Reorganization)	Verticore Share Classes (Post-Reorganization)
Common Shares	Common Exchangeable Shares
Class B Convertible Preferred	Class B Exchangeable Shares
Class C Convertible Preferred	Class C Exchangeable Shares

5. Immediately following the filing of Articles of Amendment, one New Common Share was issued to 3044011 Nova Scotia Company ("Nova Scotia Subco"), a corporation incorporated under the laws of Nova Scotia solely to facilitate the Reorganization.

6. Nova Scotia Subco issued one common share to Narrowcast so that, as a result, following completion of the Reorganization, Narrowcast indirectly owns the issued and outstanding New Common Share of Verticore (representing all of the voting shares of Verticore) and the shareholders of Verticore (prior to the Reorganization) own all of the issued and outstanding Exchangeable Shares.

7. After giving effect to the Reorganization, the authorized capital of Verticore consists of an unlimited number of New Common Shares, Common Exchangeable Shares, Class B Exchangeable Shares and Class C Exchangeable Shares, of which one New Common Share, 2,250,891 Common Exchangeable Shares, 4,730,017 Class B Exchangeable Shares and 1,200,000 Class C Exchangeable Shares are issued and outstanding.

8. As part of the Reorganization, warrants to purchase an aggregate of 685,260 Verticore shares were converted into warrants (the "Warrants") to acquire the relevant class of Exchangeable Securities, and options to purchase an aggregate of 993,500 Verticore common shares were converted into options (the "Narrowcast Options") to purchase equivalent securities of Narrowcast.

9. Narrowcast's authorized capital consists of 500,000,000 shares of Parent Common Shares, 300,000,000 shares of Serial Preferred Stock and 200,000,003 shares of Preferred Stock of which 70,000,000 shares have been designated Class B Convertible Preferred Stock, 30,000,000 shares have been designated Series 1 Class C Convertible Preferred Stock, 100,000,000 shares have been designated Series 2 Class C Convertible Preferred Stock, one share has been designated Series X Special Voting Stock, one share has been designated Series Y Special Voting Stock and one share has been designated Series Z Special Voting Stock, of which 3,333 Parent Common Shares, 637,500 shares of Class B Preferred Stock, 82,830 shares of Series 1 Class C Preferred Stock, 3,891,000 shares of Series 2 Class C Convertible Preferred Stock and one share of each of the Series X Special Voting Stock, Series Y Special Voting Stock and Series Z Special Voting Stock are currently issued and outstanding.

10. The Reorganization was unanimously approved by the directors and shareholders of Verticore.

11. The Exchangeable Shares are exchangeable (as described herein) on a one-for-one basis for shares of Narrowcast or any successor corporation thereto (the "Parent Stock") at any time at the option of the holder or upon the occurrence of certain events including the liquidation, dissolution or winding-up of Narrowcast. Each Exchangeable Share is exchangeable into the corresponding class of Parent Stock set out opposite it in the chart below:

Class of Exchangeable Shares of Verticore	Class of Parent Stock of Narrowcast
Common Exchangeable Shares	Common Stock
Class B Exchangeable Shares	Class B Preferred Stock
Class C Exchangeable Shares	Class C Preferred Stock

Each class of Exchangeable Shares (other than Common Exchangeable Shares) is also convertible into Common Exchangeable Shares, initially on a one for one basis (as adjusted for certain dilutive events). Each share of Parent Stock (other than Parent Common Shares) is convertible into a Parent Common Share, initially on a one for one basis (as adjusted for certain dilutive events).

12. The Exchangeable Shares provide a holder with a security of a Canadian issuer having economic and voting rights which are, as nearly as practicable, equivalent to those of the corresponding class of Parent Stock.

13. The share provisions attaching to the Exchangeable Shares provide that:

a. except as required by applicable law, the holders of Exchangeable Shares are not permitted to vote at meetings of the shareholders of Verticore;

b. each Exchangeable Share is entitled to a dividend from Verticore payable at the same time as, and in U.S. dollars or the Canadian dollar equivalent thereof (at the discretion of the Verticore board of directors), each dividend paid by Narrowcast on a share of the corresponding class of Parent Stock;

c. subject to the exercise by Nova Scotia Subco or Narrowcast of their call right described in subsection 13(g), holders of Exchangeable Shares are entitled, at any time, to exchange their Exchangeable Shares for shares of the corresponding class of Parent Stock, through a retraction provision attached to the Exchangeable Shares. Upon retraction, a holder is entitled to receive from Verticore, for each Exchangeable Share retracted, an amount equal to the market price of one share of the corresponding class of Parent Stock, to be satisfied by Verticore delivering to such holder one share of the corresponding class of Parent Stock for each such Exchangeable Share and paying to the holder an additional amount equivalent to all declared and unpaid dividends on each such Exchangeable Share retracted;

d. subject to the exercise by Nova Scotia Subco or Narrowcast of their call right described in subsection 13(h), on the liquidation, dissolution or winding-up of Verticore, holders of Exchangeable Shares are entitled to receive for each Exchangeable Share an amount equal to the market price of one share of the corresponding class of Parent Stock, which will be satisfied by delivery of one share of the corresponding class of Parent Stock, together with an additional amount equivalent to the full amount of all declared and unpaid dividends on such Exchangeable Share;

e. subject to the exercise by Nova Scotia Subco or Narrowcast of their call right described in subsection 13(i), Verticore will be required to redeem all of the Exchangeable Shares then outstanding on June 30, 2007, which is seven years from the effective date of the Reorganization (the "Automatic Redemption Date"). The board of directors of Verticore will have discretion to postpone such date. Upon any such redemption by Verticore, each shareholder will be entitled to receive from Verticore, for each Exchangeable Share redeemed, an amount equal to the market price of a share of the corresponding class of Parent Stock, which amount will be satisfied by the delivery on behalf of Verticore of one share of the corresponding class of Parent Stock, plus an additional amount equivalent to the full amount of all declared and unpaid dividends on each such redeemed share;

f. Verticore may accelerate the Automatic Redemption Date when:

(i) there remain less than 816,719 Exchangeable Shares outstanding;

(ii) an initial public offering of Narrowcast occurs; or

(iii) a change of control of Narrowcast occurs;

g. Notwithstanding the foregoing, Nova Scotia Subco and Narrowcast shall have an overriding call right to purchase the Exchangeable Shares that are the subject of a retraction notice, for a price per share equal to the market price of one share of the corresponding class of Parent Stock, upon being notified by Verticore of a proposed retraction of any such Exchangeable Shares, which call right shall be satisfied by the delivery by or on behalf of Nova Scotia Subco or Narrowcast of one share of the corresponding class of Parent Stock, plus an additional amount equivalent to the full amount of all declared and unpaid dividends on each such retracted Exchangeable Share;

h. Notwithstanding the foregoing, Nova Scotia Subco and Narrowcast shall have an overriding call right to purchase each outstanding Exchangeable Share for a price per share equal to the market price of one share of the corresponding class of Parent Stock, upon being notified of the liquidation, dissolution or winding-up of Verticore, which call right shall be satisfied by the delivery by or on behalf of Nova Scotia Subco or Narrowcast of one share of the corresponding class of Parent Stock, plus an additional amount equivalent to the full amount of all declared and unpaid dividends on each such Exchangeable Share; and

i. Notwithstanding the foregoing, Nova Scotia Subco and Narrowcast shall have an overriding

call right to purchase all, but not less than all, Exchangeable Shares for a price per share equal to the market price of one share of the corresponding class of Parent Stock, upon being notified by Verticore of a proposed redemption of any such Exchangeable Shares, which call right shall be satisfied by the delivery by or on behalf of Nova Scotia Subco or Narrowcast of one share of the corresponding class of Parent Stock, plus an additional amount equivalent to the full amount of all declared and unpaid dividends on each such redeemed Exchangeable Share.

14. In order to provide holders of the Exchangeable Shares with voting rights in Narrowcast, Verticore has entered into a voting trust agreement (the "Voting Trust Agreement") with Narrowcast and an individual trustee (the "Trustee").

15. Contemporaneous with the Reorganization, Narrowcast issued one share of each of Class 1 Special Voting Stock, Class 2 Special Voting Stock and Class 3 Special Voting Stock (collectively, the "Parent Special Voting Shares") to the Trustee to be held pursuant to the Voting Trust Agreement, each of which Parent Special Voting Share corresponds to a class of Exchangeable Shares. For each such Parent Special Voting Share held, the Trustee is entitled at Narrowcast stockholder meetings to cast the number of votes which is equal to the number of votes which would attach to the Parent Stock for which the Exchangeable Shares of the class corresponding to such Parent Special Voting Share outstanding at such time (excluding those owned by Narrowcast, Nova Scotia Subco and affiliates thereof) are then exchangeable.

16. The Voting Trust Agreement provides that the Parent Special Voting Shares are held by the Trustee for the benefit of holders of Exchangeable Shares from time to time (other than Narrowcast, Nova Scotia Subco and affiliates thereof) and each vote attached thereto will be voted by the Trustee as instructed by holders of the related Exchangeable Shares pursuant to proxies delivered to such holder by the Trustee or pursuant to the instructions of such holder.

17. Pursuant to an exchange rights agreement entered into by Narrowcast, Verticore, Nova Scotia Subco and the holders of Exchangeable Shares (the "Exchange Rights Agreement"), Nova Scotia Subco granted to the holders of Exchangeable Shares a put right (the "Exchange Right") exercisable upon the insolvency of Verticore.

18. The Exchange Right, when exercised, will require Nova Scotia Subco to purchase from a holder of Exchangeable Shares all or any part of the Exchangeable Shares held by such holder and the purchase price for each Exchangeable Share purchased by Nova Scotia Subco will be an amount equal to the market price of one share of the corresponding class of Parent Stock, to be satisfied by the issuance and delivery by or on behalf of Nova Scotia Subco to the holder of one share of the corresponding class of Parent Stock, plus an additional amount equivalent to the full amount of all declared and unpaid dividends on the purchased Exchangeable Share.

19. At the effective time of the Reorganization, Verticore, Narrowcast and Nova Scotia Subco entered into a support agreement (the "Support Agreement") providing that Narrowcast, among other things, will (i) not declare or pay dividends on any Parent Stock unless Verticore is able to and simultaneously declares and pays an equivalent dividend on the corresponding Exchangeable Shares; (ii) take all action and do all necessary things to ensure that Verticore is able to pay to the holders of Exchangeable Shares the equivalent number of shares of corresponding Parent Stock, as the case may be, in the event of a liquidation, dissolution or winding-up of Verticore, a retraction request by a holder of Exchangeable Shares, or a redemption of Exchangeable Shares by Verticore; and (iii) take all action and do all things necessary to ensure that Nova Scotia Subco has sufficient Parent Stock to meet its obligations under the call rights granted to it and under the Exchange Right.

20. The Support Agreement also provides that, without the prior approval of the holders of the Exchangeable Shares, actions such as distributions of stock dividends, options, rights and warrants for the purchase of securities or other assets, reclassifications, reorganizations and other changes cannot be taken in respect of a class of Parent Stock without the same or an economically equivalent action being taken in respect of the corresponding class of Exchangeable Shares.

21. Exemptions from the Registration Requirement and the Prospectus Requirement are not generally available with respect to the following trades or potential trades in connection with the Reorganization (collectively, the "Trades"):

    (a) the issuance of Parent Stock to holders of Exchangeable Shares upon the exercise by such holders of the Exchange Right against Nova Scotia Subco;

    (b) the issuance of Parent Stock to holders of Exchangeable Shares in connection with the retraction of Exchangeable Shares;

    (c) the issuance of Parent Stock to holders of Exchangeable Shares upon the exercise by Nova Scotia Subco or Narrowcast of their call right upon the retraction of Exchangeable Shares;

    (d) the issuance of Parent Stock to holders of Exchangeable Shares upon the redemption of such shares;

    (e) the issuance of Parent Stock to holders of Exchangeable Shares in connection with the exercise by Nova Scotia Subco or Narrowcast of their call right upon the redemption of the Exchangeable Shares; and

(f) the issuance of Parent Stock to holders of Exchangeable Shares in connection with the exercise by Nova Scotia Subco or Narrowcast of their call right in connection with the liquidation, winding-up or dissolution of Verticore.

22. It is expected that all future financings of Verticore and Narrowcast will be undertaken in the United States and that new investors will, primarily, be residents of the United States. No market for the securities of Narrowcast is expected to develop in the Jurisdictions. It is contemplated that Narrowcast will pursue its initial public offering in the United States and seek listing on the Nasdaq Stock Market.

23. If, as of the date of the Application, holders of Exchangeable Securities resident in the Jurisdictions exchanged such securities for securities of Narrowcast they would hold approximately 58% of the common shares of Narrowcast and would represent in number approximately 15% of the holders of common shares of Narrowcast.

24. All disclosure material including, without limitation, copies of annual financial statements and all proxy materials which is furnished to holders of securities of Narrowcast resident in the United States will be provided to the holders of the Exchangeable Securities and Warrants, and will be provided to all security holders of Narrowcast resident in the Jurisdictions.

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:

1. the Trades will not be subject to the Registration Requirement or the Prospectus Requirement; and

2. the first trade in any Narrowcast securities acquired pursuant to a Trade or pursuant to the exercise of the Narrowcast Options shall be a distribution under the Legislation of the Jurisdiction in which the trade takes place (the "Applicable Legislation"), unless:

(i) A. Narrowcast is a reporting issuer and has been a reporting issuer for at least 12 months in the relevant Jurisdiction;

B. if the seller is in a "special relationship" with Narrowcast, the seller has reasonable grounds to believe that Narrowcast is not in default under the Legislation, where, for these purposes, "special relationship" shall have the meaning ascribed to it in the Applicable Legislation; and

C. no unusual effort is made to prepare the market or to create a demand for securities of Narrowcast and no extraordinary commission or consideration is paid in respect of such first trade,

then such first trade is a distribution only if it is a trade made from the holdings of any person, company or combination of persons or companies holding a sufficient number of any securities of Narrowcast to affect materially the control of Narrowcast, but any holding of any person, company or combination of persons or companies, holding more than 20 percent of the outstanding voting securities of Narrowcast shall, in the absence of evidence to the contrary, be deemed to affect materially the control of Narrowcast (and, for such purposes, securities of Narrowcast and the Exchangeable Shares are considered to be of the same class); or

(ii) if Narrowcast is not a reporting issuer or the equivalent thereof under the Applicable Legislation, such first trade is made through the facilities of a stock exchange outside of Canada or on the Nasdaq Stock Market and at the time of such first trade, holders of common shares of Narrowcast (with holders of Exchangeable Securities considered to be holders of common shares of Narrowcast) whose last address as shown on the books of Narrowcast or Verticore, as the case may be, is in the Jurisdiction in which the holder resides, do not hold more than 10% of the common shares of Narrowcast and represent in number, not more than 10% of the holders of common shares of Narrowcast;

provided, however, that in either case, Verticore or Narrowcast shall provide each holder of Exchangeable Shares and each holder of Narrowcast Options resident in the Jurisdictions with a copy of this MRRS Decision Document which outlines the limitations imposed upon the first trade of Narrowcast securities acquired upon a Trade or pursuant to the exercise of Narrowcast Options.

December 12, 2000.

"J.A. Geller" "Robert W. Davis"

2.1.5 CIBC World Markets - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications - Issuer is a related issuer in respect of registrant that is underwriting proposed distributions of common shares by the Issuer - Underwriter exempt from the independent underwriter requirement in the legislation, subject to certain conditions being met.

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* (published for comment February 6, 1998).

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

AND

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

AND

IN THE MATTER OF
CIBC WORLD MARKETS INC.

AND

CANADIAN IMPERIAL BANK OF COMMERCE

MRRS DECISION DOCUMENT

WHEREAS the securities regulatory authority or regulator (the "Decision Maker") in each of Ontario, British Columbia, Alberta, Québec and Newfoundland (the "Jurisdictions") has received an application from CIBC World Markets Inc. (the "Filer") for a decision pursuant to the securities legislation of the Jurisdictions (the "Legislation") that the requirement (the "Independent Underwriter Requirement") contained in the Legislation which restricts a registrant from acting as an underwriter in connection with a distribution of securities by an issuer made by means of a prospectus, where the issuer is a connected issuer (or the equivalent) or a related issuer (or the equivalent) of the registrant unless a portion of the distribution at least equal to that portion underwritten by non-independent underwriters is underwritten by independent underwriters shall not apply to the Filer in respect of proposed distributions from time to time (individually an "Offering" and collectively the "Offerings") of Non-Cumulative Class A Preferred Shares, Non-Cumulative Class B Preferred Shares or unsecured debt securities (the "Offered Securities") of Canadian Imperial Bank of Commerce (the "Issuer"), pursuant to a short form shelf prospectus of the Issuer dated August 17, 1999 (the "Prospectus") and prospectus supplements ("Prospectus Supplements") thereto;

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 Filer has represented to the Decision Makers that:

1. The Issuer is a reporting issuer under the Legislation of each Jurisdiction and is not in default of any requirements of the Legislation.

2. The business of the Issuer is a diversified financial institution governed by the *Bank Act* (Canada).

3. The common shares of the Issuer are listed on The Toronto Stock Exchange.

4. The head office of the Filer is in Ontario.

5. The Issuer filed the Prospectus with the securities regulatory authority or regulator in each of the provinces and territories of Canada (with the exception of Nunavut) in accordance with the procedures set out in National Policy Statement No. 44, and a receipt for the Prospectus was issued by the Ontario Securities Commission on August 17, 1999 on behalf of the securities regulatory authority or regulator in each of the provinces and Territories of Canada (with the exception of Nunavut).

6. The Issuer will enter into an underwriting agreement with the Filer in respect of each Offering and at least one other registrant (an "Independent Underwriter") whereby the Issuer will agree to issue and sell, and the Underwriters will agree to purchase, the Securities under such Offering. The Independent Underwriter will purchase at least 20% of the Securities offered under each Offering.

7. The Independent Underwriter will be an independent underwriter as defined in the draft of Multi-Jurisdictional Instrument 33-105 *Underwriting Conflicts* (the "Proposed Instrument").

8. The Issuer will not be a "related issuer" or "connected issuer" (as those terms are defined in the Proposed Instrument) of the Independent Underwriter.

9. By virtue of the Filer being a wholly-owned subsidiary of the Issuer, the Issuer is a "related issuer" (or its equivalent) of the Filer, and may, in connection with any Offering, be a "connected Issuer" (or the equivalent) of the Filer.

10. The Filer will receive no benefit under the Offerings other than the payment of its fees in connection with the Offerings.

11. The nature and details of the relationship between the Issuer and the Filer will be described in each

Prospectus Supplement. Each Prospectus Supplement will contain the information specified in Appendix "C" of the Proposed Instrument.

12. Each Prospectus Supplement will identify the Independent Underwriter and disclose the role of the Independent Underwriter in the structuring and pricing of the Offering and in the due diligence activities performed by the Independent Underwriter.

13. Each Prospectus Supplement will contain the requisite certificate signed by each Underwriter.

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

AND WHEREAS each of the Decision Makers is satisfied that the test contained in the Legislation that provides the Decision Makers with the jurisdiction to make the Decision has been met;

THE DECISION of the Decision Makers, under the Legislation, is that the Independent Underwriter Requirement shall not apply to the Filer in connection with the Offerings provided that:

(1) an Independent Underwriter underwrites at least 20 per cent of the dollar value of the Offering;

(2) an Independent Underwriter participates in each Offering as stated in paragraph 12 above;

(3) each Prospectus Supplement contains the disclosure stated in paragraph 12 above; and

(4) the relationship between the Issuer and the Filer is disclosed in each Prospectus Supplement.

January 17, 2001.

"David Brown" "John Geller"

2.1.6 Seagram Company Ltd. - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications - direct and indirect issuer bids resulting from a reorganization transaction involving issuer and certain shareholders prior to merger arrangement with third party - issuer acquiring shareholders' newly-incorporated hold cos that hold common shares of issuer in exchange for an equal number of newly-issued common shares of issuer - issuer to amalgamate with holdcos - purpose of reorganization is to allow shareholders to achieve certain tax planning objectives in connection with the arrangement - beneficial 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.

Applicable Ontario Statute

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 93(1)(c), 95, 96, 97, 98, 100, and 104(2)(c).

IN THE MATTER OF
THE SECURITIES LEGISLATION OF
ALBERTA, BRITISH COLUMBIA, MANITOBA,
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
THE SEAGRAM COMPANY LTD.

MRRS DECISION DOCUMENT

WHEREAS the Canadian securities regulatory authority or regulator (the "Decision Makers") in each of Alberta, British Columbia, Manitoba, Newfoundland, Nova Scotia, Ontario, Québec and Saskatchewan (collectively, the "Jurisdictions") has received an application from The Seagram Company Ltd. ("Seagram") for a decision pursuant to the securities legislation of the Jurisdictions (the "Legislation") exempting Seagram from the issuer bid requirements of the Legislation in connection with what may technically constitute an issuer bid as part of a proposed reorganization involving Seagram (the "Reorganization");

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

AND WHEREAS Seagram has represented to the Decision Makers that:

1. Seagram is governed by the *Canada Business Corporations Act* (the "CBCA") and its executive offices are located in Montreal, Quebec. Seagram is a reporting issuer or has equivalent status in each of the provinces of Canada and its common shares are listed on The Toronto Stock Exchange, the New York Stock Exchange and the London Stock Exchange Limited. Seagram is not on the list of defaulting issuers maintained by the various securities regulatory authorities in Canada.

2. The authorized share capital of Seagram consists of an unlimited number of common shares (the "Seagram Common Shares") and an unlimited number of preferred shares issuable in series, of which 436,493,537 Seagram Common Shares and no preferred shares were issued and outstanding as at May 31, 2000.

3. Seagram and Vivendi S.A. ("Vivendi"), Canal Plus S.A. ("Canal Plus"), Sofiée S.A. ("Sofiée") and 3744531 Canada Inc. have entered into a merger agreement (the "Merger Agreement") made as of June 19, 2000 pursuant to which, among other things, Vivendi will merge into its subsidiary Sofiée (the surviving corporation is referred to as "Vivendi Universal") and Vivendi Universal will indirectly acquire all of the Seagram Common Shares (the "Transaction") pursuant to an arrangement (the "Arrangement") under section 192 of the CBCA.

4. All shareholders of Seagram will be offered the opportunity to participate in the Reorganization, to be described in the Management Information Circular of Seagram to be sent in connection with the Transaction, subject to certain conditions described therein. However, Seagram currently anticipates that only a limited number of Canadian resident Seagram shareholders would participate in the Reorganization (the "Participants").

5. The purpose of the Reorganization is to enable holders of Seagram Common Shares who elect to participate in the Reorganization to achieve certain tax planning objectives relating to the ownership of their Seagram Common Shares. The Reorganization requires the cooperation of Seagram and Vivendi and must be completed prior to the closing of the Transaction. The Reorganization is intended to allow the Participants access to the applicable amount of "safe income" for purposes of the *Income Tax Act* (Canada) attributable to Participants' existing investment in Seagram Common Shares, without affecting the cost basis for tax purposes of Seagram Common Shares held by other shareholders.

6. The Reorganization would entail the following principal steps:

   (a) Each Participant will incorporate one or more corporations (each such corporation referred to herein as "Subco") under the CBCA. Each Participant which is not a corporation will also incorporate one or more holding companies under the CBCA and Participants which are corporations may incorporate additional holding companies under the CBCA (each such additional holding company referred to herein as "Holdco"). Each Subco will have no material assets, no liabilities and will have been incorporated solely for use in relation to carrying out the Reorganization.

   (b) Each Participant will transfer, directly or indirectly, through one or more Holdcos, to their respective Subcos all or a portion of their respective existing Seagram Common Shares (the "Existing Seagram Shares") in exchange for common shares of each Subco. A transfer of Existing Seagram Shares to Subco will be effected pursuant to one or more elections made in accordance with subsection 85(1) of the *Income Tax Act* (Canada), and in the case of Québec residents, equivalent Québec elections.

   (c) All of the shares of each Subco 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) Prior to the sale of the shares of each Subco to Seagram as described below, such Subco may, with the approval of Seagram and Vivendi, but will not necessarily, declare and pay one or more dividends to Holdcos in aggregate amounts based upon the estimated "safe income" attributable to the Existing Seagram Shares owned by it. Such dividends may be paid in cash or in preferred shares of Subco.

   (e) A Participant may, directly or indirectly, subscribe for Subco preferred shares with such dividend proceeds.

   (f) Following the payment of the dividends and the issuance of preferred shares (if any) described in items (d) and (e) above, and at a time when each Subco has no outstanding liabilities, all of the issued and outstanding shares of each Subco will be transferred to Seagram in exchange for Seagram Common Shares issued from treasury by Seagram equal to the number of Existing Seagram Shares owned by such Subco (the "New Seagram Shares").

   (g) After the acquisition by Seagram of the shares of each Subco and prior to the effective time of the Arrangement, Seagram will wind up each Subco owned by it and all of the Existing Seagram Shares owned by each Subco would be cancelled upon the wind-up by operation of law. Alternatively, at its option, Seagram will amalgamate with each Subco pursuant to a vertical short-form amalgamation under the CBCA and all of the Existing Seagram Shares owned by each Subco would be cancelled upon the amalgamation.

7. The Merger Agreement, which contemplates carrying out the Reorganization and the Arrangement, has been approved by the Board of Directors of Seagram. The completion of the Arrangement is conditional on the prior approval of the shareholders of Seagram. Such approval will be sought at an annual and special meeting scheduled to be held in the final quarter of 2000.

8. All material costs and expenses incurred by Seagram in connection with the Reorganization will be paid for by the Participants.

9. The Participants, their Holdcos and each Subco will be required to enter into a share exchange agreement with, among others, Seagram, in a form and substance satisfactory to Seagram and Vivendi, acting reasonably. The Participants will be required to indemnify Seagram, Vivendi and certain of its affiliates for any adverse tax consequences which any of them may incur in connection with the Reorganization and to provide a release of Vivendi, Seagram and certain of their affiliates and advisors in connection with the Reorganization.

10. Following the completion of the Reorganization, the Participants, either directly or through one or more Holdcos, as well as all other Seagram shareholders, will own the same number of Seagram Common Shares that they owned immediately prior to the Reorganization and will have the same rights and benefits in respect of such shares that they had immediately prior to the Reorganization. The number of Seagram Common Shares issued and outstanding will be the same following completion of the Reorganization as it was prior to the Reorganization.

11. In the course of the Reorganization, Seagram will become the direct owner of all of the issued and outstanding shares of each Subco and, as a result, Seagram will prior to cancellation, become the indirect owner of the Existing Seagram Shares held by each Subco. The acquisition of such Existing Seagram Shares by Seagram in the Reorganization may technically constitute an issuer bid pursuant to the issuer bid provisions of the Legislation since the acquisition may be viewed as involving an acquisition of its own common shares by Seagram, whether indirectly upon the acquisition of the Subcos or directly upon the wind-up of or amalgamation with the Subcos. Such issuer bid may not be exempt from the requirements of the issuer bid provisions of the Legislation.

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;s

IT IS HEREBY DECIDED by the Decision Makers that the issuer bid requirements of the Legislation shall not apply to the Reorganization.

October 23, 2000.

"Guy Lemoine" "Viateur Gagnon"

DANS L'AFFAIRE DE LA LÉGISLATION EN VALEURS MOBILIÈRES DE L'ALBERTA, DE LA COLOMBIE-BRITANNIQUE, DU MANITOBA, DE TERRE-NEUVE, DE LA NOUVELLE-ÉCOSSE, DE L'ONTARIO, DU QUÉBEC ET DE LA SASKATCHEWAN

ET

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

ET

DANS L'AFFAIRE DE LA COMPAGNIE SEAGRAM LTÉE

DOCUMENT DE DÉCISION DU REC

CONSIDÉRANT QUE l'autorité de réglementation des valeurs mobilières canadiennes ou l'organisme de réglementation (les " décideurs ") de chacune des provinces de l'Alberta, de la Colombie-Britannique, du Manitoba, de Terre-Neuve, de la Nouvelle-Écosse, de l'Ontario, du Québec et de la Saskatchewan (collectivement, les " territoires ") ont reçu une demande de La Compagnie Seagram Ltée (" Seagram ") pour une décision en vertu de la législation en valeurs mobilières des territoires (la " législation ") selon laquelle l'exigence contenue dans la législation applicable à une offre publique de rachat ne s'applique pas à Seagram relativement à ce qui pourrait techniquement constituer une offre publique de rachat dans le cadre d'un projet de réorganisation mettant en cause Seagram (la " réorganisation ");

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 Seagram a déclaré aux décideurs ce qui suit :

1. Seagram est régie par la *Loi canadienne sur les sociétés par actions* (la " LCSA ") et ses bureaux de direction sont situés à Montréal (Québec). Seagram est un émetteur assujetti ou a qualité équivalente dans chacune des provinces du Canada et ses actions ordinaires sont inscrites à la cote de la Bourse de Toronto, à la New York Stock Exchange et à la London Stock Exchange Limited. Seagram ne figure pas sur la liste des émetteurs en défaut que tiennent les diverses autorités de réglementation des valeurs mobilières canadiennes.

2. Le capital-actions autorisé de Seagram consiste en un nombre illimité d'actions ordinaires (les " actions ordinaires de Seagram ") et en un nombre illimité

d'actions privilégiées pouvant être émises en série, dont 436 493 537 actions ordinaires de Seagram et aucune action privilégiée étaient émises et en circulation au 31 mai 2000.

3. Seagram et Vivendi S.A. (" Vivendi "), Canal Plus S.A. (" Canal Plus "), Sofiée S.A. (" Sofiée ") et 3744531 Canada Inc. ont conclu une convention de fusion (la " convention de fusion ") en date du 19 juin 2000 aux termes de laquelle, notamment, Vivendi fusionnera avec sa filiale Sofiée (la société issue de la fusion est appelée " Vivendi Universal ") et Vivendi Universal acquerra indirectement la totalité des actions ordinaires de Seagram (l'" opération ") aux termes d'un arrangement (l'" arrangement ") en vertu de l'article 192 de la LCSA.

4. Tous les actionnaires de Seagram auront la possibilité de participer à la réorganisation qui doit être décrite dans la circulaire d'information de la direction de Seagram qui sera distribuée dans le cadre de l'opération, sous réserve de certaines conditions qui y sont décrites. Toutefois, Seagram s'attend actuellement à ce que seulement un nombre limité de résidents canadiens actionnaires de Seagram participent à la réorganisation (les " participants ").

5. La réorganisation vise à permettre aux porteurs d'actions ordinaires de Seagram qui choisissent de participer à la réorganisation de réaliser certains objectifs de planification fiscale relativement à la propriété de leurs actions ordinaires de Seagram. La réorganisation exige la collaboration de Seagram et de Vivendi et doit être achevée avant la clôture de l'opération. La réorganisation vise à permettre aux participants de se prévaloir du montant applicable de " revenu protégé " aux fins de la *Loi de l'impôt sur le revenu* (Canada) attribuable au placement existant des participants dans les actions ordinaires de Seagram, sans que soit modifié le prix de base aux fins de l'impôt des actions ordinaires de Seagram que détiennent d'autres actionnaires.

6. La réorganisation comporterait les principales étapes suivantes :

   a) Chaque participant constituera une ou plusieurs sociétés (chacune de ces sociétés étant appelée aux présentes " Subco ") aux termes de la LCSA. Chaque participant qui n'est pas une société constituera aussi une ou plusieurs sociétés de portefeuille aux termes de la LCSA et les participants qui sont des sociétés peuvent constituer d'autres sociétés de portefeuille en vertu de la LCSA (chacune de ces sociétés de portefeuille additionnelles étant appelée aux présentes " Holdco "). Chacune des Subco n'aura aucun actif ni passif important et aura été constituée uniquement aux fins de réaliser la réorganisation.

   b) Chacun des participants transférera, directement ou indirectement, par l'entremise d'une ou de plusieurs Holdcos, à leur Subco respective la totalité ou une partie de leurs actions ordinaires de Seagram existantes respectives (les " actions de Seagram existantes ") en échange d'actions ordinaires de chaque Subco. Le transfert des actions de Seagram existantes à une Subco sera effectué conformément à un ou plusieurs choix prévus au paragraphe 85(1) de la *Loi de l'impôt sur le revenu* (Canada), et dans le cas des résidents du Québec, conformément à des choix équivalents au Québec.

   c) Toutes les actions de chacune des Subcos appartiendront soit directement à un participant, soit à une ou plusieurs Holdcos. Toutes les actions de chacune des Holdcos appartiendront directement ou indirectement à un participant.

   d) Avant la vente des actions de chaque Subco à Seagram tel qu'il est décrit ci-dessous, cette Subco peut, avec l'approbation de Seagram et de Vivendi, à son gré, déclarer et verser un ou plusieurs dividendes aux Holdcos de montants globaux fondés sur le " revenu protégé " estimatif attribuable aux actions de Seagram existantes qu'elle détient. Ces dividendes peuvent être versés au comptant ou en actions privilégiées de la Subco.

   e) Un participant peut, directement ou indirectement, souscrire des actions privilégiées de la Subco avec le produit de ces dividendes.

   f) Après le paiement des dividendes et l'émission d'actions privilégiées (s'il y a lieu) décrits aux alinéas d) et e) ci-dessus, et à un moment où chaque Subco n'a aucun passif en cours, la totalité des actions émises et en circulation de chaque Subco sera transférée à Seagram en échange d'un nombre de nouvelles actions ordinaires de Seagram émises par cette dernière correspondant au nombre d'actions de Seagram existantes appartenant à cette Subco (les " nouvelles actions de Seagram ").

   g) Une fois que Seagram aura acquis les actions de chacune des Subcos et avant la prise d'effet de l'arrangement, Seagram liquidera chacune des Subcos dont elle est propriétaire et toutes les actions de Seagram existantes appartenant à chacune des Subcos seraient annulées par opération de la loi au moment de la liquidation. Subsidiairement, à son gré, Seagram fusionnera avec chacune des Subcos aux termes d'une fusion verticale simplifiée en vertu de la LCSA et toutes les actions de Seagram existantes appartenant à chacune des Subcos seraient annulées au moment de la fusion.

7. Le conseil d'administration de Seagram a approuvé la convention de fusion qui prévoit la réalisation de la réorganisation et de l'arrangement. La conclusion de l'arrangement est conditionnelle à l'approbation préalable des actionnaires de Seagram. Cette approbation sera demandée à une assemblée annuelle et extraordinaire qui devrait être tenue au dernier trimestre 2000.

8. Tous les frais et dépenses importants que Seagram engage dans le cadre de la réorganisation seront à la charge des participants.

9. Les participants, leurs Holdcos et chacune des Subcos seront tenus de conclure une convention d'échange d'actions avec, notamment, Seagram, dont la forme et le fond conviennent à Seagram et à Vivendi, toutes deux agissant raisonnablement. Les participants seront tenus d'indemniser Seagram, Vivendi et certains membres de leur groupe à l'égard de toute incidence fiscale préjudiciable susceptible de les toucher dans le cadre de la réorganisation et de dégager de toute responsabilité Vivendi, Seagram et certains membres de leur groupe et conseillers dans le cadre de la réorganisation.

10. Une fois la réorganisation achevée, les participants, soit directement, soit par l'entremise d'une ou de plusieurs Holdcos, ainsi que tous les autres actionnaires de Seagram, seront propriétaires du même nombre d'actions ordinaires de Seagram qu'ils détenaient immédiatement avant la réorganisation et disposeront des mêmes droits et avantages à l'égard de ces actions que ceux dont ils disposaient immédiatement avant la réorganisation. Après la conclusion de la réorganisation, le nombre d'actions ordinaires de Seagram émises et en circulation sera le même qu'avant la réorganisation.

11. Dans le cadre de la réorganisation, Seagram deviendra le propriétaire direct de toutes les actions émises et en circulation de chacune des Subcos et, en conséquence, Seagram deviendra, avant l'annulation, le propriétaire indirect des actions de Seagram existantes détenues par chacune des Subcos. L'acquisition de ces actions de Seagram existantes par Seagram dans le cadre de la réorganisation peut techniquement constituer une offre publique de rachat aux termes des dispositions de la législation en matière d'offres publiques de rachat puisque l'on peut considérer qu'il s'agit d'une acquisition par Seagram de ses propres actions ordinaires, soit indirectement lors de l'acquisition des Subcos, soit directement lors de la liquidation des Subcos ou de la fusion avec celles-ci. Une telle offre publique de rachat pourrait ne pas être dispensée des exigences des dispositions de la législation en matière d'offres publiques de rachat.

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;

IL EST PAR CONSÉQUENT DÉCIDÉ par les décideurs que l'exigence contenu dans la législation en matière d'offres publiques de rachat ne s'applique pas à la réorganisation.

FAIT le 23 octobre 2000.

"Guy Lemoine" "Viateur Gagnon"

2.1.7 Investors Group Trust Co. et al. - MRRS Decision

Headnote

Investment for specified purpose by mutual funds in securities of another mutual fund that is under common management exempted from the requirements of clause 111(2)(b), subsection 111(3), clauses 117(1)(a), and 117(1)(d) subject to certain specified conditions.

Statutes Cited

Securities Act (Ontario), R.S.O. 1990 c.S.5, as am. ss. 111(2)(b), 111(3), 113, 117(1)(a), 117(1)(d), 117(2), and 121(2)(a)(ii).

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

AND

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

AND

IN THE MATTER OF
INVESTORS GROUP TRUST CO. LTD.

AND

INVESTORS GLOBAL
SCIENCE & TECHNOLOGY RSP FUND
IG AGF U.S. GROWTH RSP FUND

MRRS DECISION DOCUMENT

WHEREAS the local securities regulatory authority or regulator (the "Decision Maker") in each of the provinces of British Columbia, Alberta, Saskatchewan, Ontario, Nova Scotia and Newfoundland (the "Jurisdictions") has received an application (the "Application") from Investors Group Trust Co. Ltd. ("Investors"), Investors Global Science & Technology RSP Fund and IG AGF U.S. Growth RSP Fund and other mutual funds managed by Investors after the date of this Decision (defined herein) having an investment objective that is linked to the returns or portfolio of another specified Investors managed mutual fund (collectively referred to as the "Top Funds"), for a decision pursuant to the securities legislation of the Jurisdictions (the "Legislation") that the following provisions in the Legislation (the "Applicable Requirements") shall not apply in connection with certain investments to be made by the Investors Global Science & Technology RSP Fund and IG AGF U.S. Growth RSP Fund in the Investors Global Science & Technology Fund and the IG AGF U.S. Growth Fund and by the other Top Funds in their applicable corresponding Investors managed mutual funds from time to time (the funds in which such investments are to be made being collectively referred to as the "Underlying Funds"):

1. the restrictions contained in the Legislation prohibiting a mutual fund from knowingly making or holding an investment in a person or company in which the mutual fund, alone or together with one or more related mutual funds, is a substantial security holder; and

2. the requirements contained in the Legislation requiring a management company, or in British Columbia, a mutual fund manager, to file a report relating to a purchase or sale of securities between the mutual fund and any related person or company, or any transaction in which, by arrangement other than an arrangement relating to insider trading in portfolio securities, the mutual fund is a joint participant with one or more of its related persons or companies;

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 it has been represented by Investors to the Decision Makers that:

1. Each of the Top Funds and each of the Underlying Funds (collectively, the "Funds") is, or will be, an open-ended mutual fund trust established under the laws of the Province of Manitoba.

2. The Top Funds and the Underlying Funds will be reporting issuers. The securities of the Investors Global Science & Technology RSP Fund will be qualified under a preliminary simplified prospectus and annual information form which were filed in all provinces and territories under SEDAR project number 308722. The securities of IG AGF U.S. Growth RSP Fund will be qualified under a preliminary simplified prospectus and annual information form which were filed in all provinces and territories under SEDAR project number 310004.

3. The simplified prospectuses will disclose the investment objectives, investment strategies, risks and restrictions of the Top Funds and the Underlying Funds. The investment objective of the Top Funds will include disclosure of the names of the Underlying Funds and the Top Funds' total aggregate derivative exposure to, and direct investment in the Underlying Funds.

4. The investment objective of the Underlying Funds is, or will be, achieved through investment primarily in foreign securities.

5. The investment objective of the Top Funds is, or will be, to provide long-term capital growth, primarily through the implementation of a derivative strategy that provides a return linked to the return of the applicable Underlying Fund. Each Top Fund will also invest directly in the applicable Underlying Fund up to the amount prescribed from time to time as the maximum permitted amount which may be invested in foreign property under the *Income Tax Act* (Canada) (the "Tax Act") without the imposition of tax under Part XI of the Tax Act (the "Foreign Property Maximum").

6. To achieve its investment objective, each of the Top Funds will invest its assets in securities such that its units will, in the opinion of tax counsel to the Top Fund, be "qualified investments" for registered retirement savings plans, registered retirement income funds, deferred profit sharing plans and similar plans (collectively, the "Registered Plans") under the Tax Act and will not constitute foreign property in a Registered Plan.

7. The direct investment by a Top Fund in units of the applicable Underlying Fund will be within the Foreign Property Maximum (the "Permitted Limit"). Investors and the Top Funds will comply with the conditions of this Decision in respect of such investments. The amount of direct investment by each Top Fund in its applicable Underlying Fund will be adjusted from time to time so that, except for transitional cash, the aggregate of derivative exposure to, and direct investment in, the Underlying Fund will equal 100% of the assets of the Top Fund.

8. Except to the extent evidenced by this Decision and specific approvals granted by the Canadian securities administrators pursuant to National Instrument 81-102 Mutual Funds ("NI 81-102"), the investments by the Top Funds in the Underlying Funds have been, or will be, structured to comply with the investment restrictions of the Legislation and NI 81-102.

9. In the absence of this Decision, pursuant to the Legislation, the Top Funds are prohibited from (a) knowingly making an investment in a person or company in which the mutual fund, alone or together with one or more related mutual funds, is a substantial unitholder; and (b) knowingly holding an investment referred to in clause (a) hereof. As a result, in the absence of this Decision the Top Funds would be required to divest themselves of any such investments.

10. In the absence of this Decision, the Legislation requires Investors to file a report on every purchase or sale of securities of the Underlying Funds by the Top Funds.

11. The Top Funds' investment in or redemption of units of their corresponding Underlying Funds will represent the business judgment of responsible persons, uninfluenced by considerations other than the best interest of the Top Funds.

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 Applicable Requirements shall not apply so as to prevent a Top Fund from making or holding an investment in securities of an Underlying Fund,

PROVIDED IN EACH CASE THAT:

1. the Decision, as it relates to the jurisdiction of a Decision Maker, will terminate one year after the publication in final form of any legislation or rule of that Decision Maker dealing with the matters in section 2.5 of NI 81-102; and

2. the Decision shall only apply if, at the time a Top Fund makes or holds an investment in an Underlying Fund, the following conditions are satisfied:

   a. the securities of both the Top Fund and the Underlying Fund are being offered for sale in the jurisdiction of the Decision Maker pursuant to a simplified prospectus and annual information form which has been filed with and accepted by the Decision Maker;

   b. the investment by the Top Fund in the Underlying Fund is compatible with the fundamental investment objectives of the Top Fund;

   c. the investment objective of the Top Fund discloses that the Top Fund invests directly and indirectly (through derivative exposure) in the Underlying Fund;

   d. the investment objective of the Top Fund discloses the name of the Underlying Fund;

   e. the Underlying Fund is not a mutual fund whose investment objective includes investing directly or indirectly in other mutual funds;

   f. the Top Fund restricts its direct investment in the Underlying Fund to a percentage of its assets that is within the Permitted Limit;

   g. there are compatible dates for the calculation of the net asset value of the Top Fund and the Underlying Fund for the purpose of the issue and redemption of securities of such mutual funds;

   h. no sales charges are payable by the Top Fund in relation to its purchases of securities of the Underlying Fund;

   i. no redemption fees or other charges are charged by the Underlying Fund in respect of the redemption by the Top Fund of securities of the Underlying Fund owned by the Top Fund;

   j. no fees and charges of any sort are paid by the Top Fund and the Underlying Fund, by their respective managers or principal distributors, or by any affiliate or associate of any of the foregoing entities to anyone in respect of the Top Fund's purchase, holding or redemption of the securities of the Underlying Fund;

   k. the arrangements between or in respect of the Top Fund and the Underlying Fund are such as to avoid the duplication of management fees;

   l. any notice provided to securityholders of the Underlying Fund, as required by applicable laws or the constating documents of the Underlying Fund, has been delivered by the Top Fund to its securityholders along with all voting rights attached to the securities of the Underlying Fund which are directly owned by the Top Fund.

   m. all of the disclosure and notice material prepared in connection with a meeting of securityholders of the Underlying Fund and received by the Top Fund has been provided to its securityholders, the securityholders have been permitted to direct a representative of the Top Fund to vote its holdings in the Underlying Fund in accordance with their direction, and the representative of the Top Fund has not voted its holdings in the Underlying Funds except to the extent the securityholders of the Top Fund have directed;

   n. in addition to receiving the annual and, upon request, the semi-annual financial statements of the Top Fund, securityholders of the Top Fund have received the annual and, upon request, the semi-annual financial statements, of the Underlying Fund in either a combined report, containing financial statements of the Top Fund and the Underlying Fund, or in a separate report containing the financial statements of the Underlying Fund; and

   o. to the extent that the Top Fund and the Underlying Fund do not use a combined simplified prospectus and annual information form containing disclosure about the Top Fund and the Underlying Fund, copies of the simplified prospectus and annual information form of the Underlying Fund have been provided upon request to securityholders of the Top Fund and this right is disclosed in the simplified prospectus of the Top Fund.

January 10, 2001.

"J.A. Geller" "R. Stephen Paddon"

2.1.8 Rose Corporation - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications - Issuer has only ten 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. s.83.

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

AND

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

AND

IN THE MATTER OF
THE ROSE CORPORATION

MRRS DECISION DOCUMENT

WHEREAS the local securities regulatory authority or regulator (the "Decision Maker") in each of Ontario, British Columbia, Nova Scotia and Quebec (the "Jurisdictions") has received an application from The Rose Corporation ("Rose") for a decision under the securities legislation of each of the Jurisdictions (the "Legislation") that Rose be deemed to have ceased to be a reporting issuer or the equivalent under the Legislation;

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 Rose has represented to the Decision Makers that:

1. Rose was formed under the *Canada Business Corporation Act* (the "CBCA") by articles of amalgamation dated May 1, 2000.

2. the head office of Rose is located in Don Mills, Ontario.

3. Rose is a reporting issuer or the equivalent under the Legislation.

4. Apart from the failure to file its interim financial statements for the period ended April 30, 2000, which were due on June 29, 2000, Rose is not in default of any of the requirements of the Legislation.

5. Pursuant to the terms and conditions of an amalgamation agreement dated May 1, 2000, 3727955 Canada Ltd. ("3727955 Canada") , a corporation incorporated under the CBCA, and The Rose Corporation ("Predecessor Rose") completed a going private transaction (the "Amalgamation"). 3727955 Canada was the principal shareholder of Predecessor Rose.

6. Rose s authorized capital consists of an unlimited number of common shares and an unlimited number of Class A redeemable preferred shares. There are 16,656,882 common shares outstanding and no Class A redeemable preferred shares outstanding (the "Shares").

7. There are 10 beneficial holders of the Shares, (collectively the "Shareholders"):

(i)	Malter Holdings Limited	5,182,817 shares
(ii)	Stephen Morrison on behalf of RSP	122,692 shares
(iii)	1082975 Ontario Inc.	472,222 shares
(iv)	Navidala Management Corp:	537,908 shares
(v)	1290264 Ontario Inc.	1,750,000 shares
(vi)	949350 Ontario Inc.	5,023,672 shares
(vii)	1175420 Ontario Inc.	1,616,589 shares
(viii)	592562 Ontario Inc.	1,106,068 shares
(ix)	Canadian Council for Reform Judaism	722,222 shares
(x)	Fern Morrison on behalf of RSP	122,692 shares

8. The following shareholders are owned by the Reisman Group:

(i)	Malter Holdings Limited	100% directly owned
(ii)	1082975 Ontario Inc.	100% directly owned
(iii)	Navidala Management Corp.	92% directly, 8% indirectly owned
(iv)	1290264 Ontario Inc.	100% indirectly owned
(v)	949350 Ontario Inc.	100% indirectly owned
(vi)	1175420 Ontario Inc.	51% indirectly owned

The Sam and Rose Reisman Family Trust holds approximately 86% of the common shares of the Reisman Group. Sam Reisman is a close business associate of Stephen Morrison, who holds 49% of 1175420 Ontario Inc. Fern Morrison is Stephen Morrison's spouse. Sam Reisman previously donated 1,111,111 common shares of Rose to the Canadian Council for Reform Judaism and concurrently agreed to re-purchase such shares over a 10 year period.

9. Other than the Shares held by the Shareholders, there are no securities of Rose outstanding and there are no debt securities of Rose outstanding.

10. On May 4, 2000 the common shares of Rose were delisted from The Toronto Stock Exchange and no securities of Rose are listed or posted for trading on any stock exchange or market in Canada.

11. Rose 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 Makers pursuant to the Legislation is that Rose is deemed to have ceased to be a reporting issuer or the equivalent under the Legislation as of the date of this Decision.

December 6, 2000.

John Hughes
Manager, Continuous Disclosure

2.1.9 I-data international a-s i-data Canada Inc. & Eicon Technology Corp. - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – Employee retention agreements to be entered into between offeror and offeree securityholders who are also senior officers or directors of the offeree - Employment agreements providing for capped performance bonus and out-of-the-money share options - agreements negotiated at arm's length, on commercially reasonable terms and conditions and in accordance with industry standards - Lock-up agreement between the parties including non-competition provision, non-solicitation provision and indemnity provision - Employment agreements being entered into for reasons other than to increase the value of the consideration paid to the selling securityholders for their shares and may be entered into, notwithstanding the prohibition against collateral agreements.

Applicable Ontario Statutory Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., subsection 104(2)(a).

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

AND

IN THE MATTER OF
THE MUTUAL RELIANCE REVIEW SYSTEM FOR RELIEF

AND

IN THE MATTER OF
i-data international a-s
i-data CANADA INC. AND
EICON TECHNOLOGY CORPORATION

MRRS DECISION DOCUMENT

WHEREAS i-data international a-s ("i-data") proposes to make through i-data Canada Inc. (the "Offeror"), its wholly-owned subsidiary, a take-over bid (the "Offer") to acquire all of the outstanding common shares (the "Common Shares") of Eicon Technology Corporation ("Eicon");

AND WHEREAS the local securities regulatory authority or regulator (the "Decision Makers") in each of the provinces of Quebec, British Columbia, Alberta, Manitoba, Saskatchewan, Ontario, Nova Scotia and Newfoundland (the "Jurisdictions") has received an application from the Filer for a decision (the "Decision") under the securities legislation of the Jurisdictions (the "Legislation"):

(i) that certain agreements, which i-data entered into with certain employees of Eicon, are made for reasons other than to increase the value of the consideration paid to such shareholders for

their Common Shares and that such agreements may be entered into despite the requirement contained in the Legislation which prohibits, in the context of a take-over bid, the entering into of any collateral agreement with any holder of the offeree issuer that has the effect of providing to the holder a consideration of greater value than that offered to the other holders of the same class of securities; and

(ii) that the Common Shares to be tendered to the Offer by certain shareholders of Eicon may be counted as part of the minority in determining whether minority approval for the Subsequent Acquisition Transaction (as hereinafter defined) has been obtained, despite the provision in the Legislation in Quebec and Ontario requiring an issuer that proposes to effect a going-private transaction to exclude the votes attached to securities tendered to a preceding formal bid.

AND WHEREAS under the Mutual Reliance System for Relief (the "System"), the Commission des valeurs mobilières du Québec ("CVMQ") is the principal regulator for this application;

AND WHEREAS i-data has represented to the Decision Makers that:

1. The applicants are i-data and the Offeror, which was incorporated on October 6, 2000 for purposes of making the Offer. i-data is a corporation constituted pursuant to the laws of Denmark and has its registered office in Bagsvaerd, Denmark. i-data is an international IT company comprised of two business areas. Its shares are listed on the Copenhagen Stock Exchange. Neither the Offeror nor i-data is or intends to become a "reporting issuer" in any province of Canada.

2. Eicon is a corporation constituted under the *Canada Business Corporations Act* (the "CBCA") which has its registered office in Montreal. It does business directly or through subsidiaries in Europe, the United States, Australia, Brazil and Hong Kong. Eicon develops, markets and supports hardware and software products for connecting network-servers and PC to corporate networks and the Internet. Eicon is a "reporting issuer" in the provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, Nova Scotia, Prince Edward Island and Newfoundland.

3. Eicon authorized capital consists of an unlimited number of Preferred Shares (none of which are outstanding) and of an unlimited number of Common Shares. As of September 30, 2000, there were 33,932,760 Common Shares and 4,196,442 options to purchase Common Shares outstanding. The Common Shares are listed on the Toronto Stock Exchange (the "TSE") under the symbol EIC. As of today, neither i-data nor any of its affiliates or associates hold Common Shares.

4. On October 12, 2000, i-data and Eicon entered into a support agreement (the" Support Agreement") which provides, among other things, for the Applicant to make the Offer, as described herein, and for the Eicon Board to recommend acceptance of the Offer to its shareholders. The Support Agreement also provides for the payment by Eicon of $5,700,000 (the "Break-Up Fee") in the event that the Eicon Board withdraws or changes its recommendation to accept the Offer. On October 12, 2000, i-data and Eicon issued a press release announcing the entering into the Lock-Up Agreement and the Support Agreement and the intention of i-data to make the Offer. The Independent Committee engaged National Bank Financial Inc. as its financial advisor, which has concluded, in its fairness opinion, that the Offer is fair from a financial point of view to the shareholders of Eicon.

5. The Offer price of $5.00 represents a 72.41% premium over the closing price of the Common Shares on the TSE on September 27, 2000, the last trading day immediately prior to the announcement of the negotiation relating to the Offer, a 21.95% premium over the closing price on the TSE on October 11, the last trading day immediately prior to the announcement of the Offer and a 38.12% premium over the average closing price over the 20 last trading days prior to October 16, 2000.

6. The Offer, which has been mailed on October 16, 2000, is subject to customary terms and conditions set out, including the deposit of not less than 66 2/3% of the Common Shares (on a fully-diluted basis) to the Offer, and the obtaining of all governmental or regulatory consents, authorizations or approvals that i-data, in its sole discretion, views as necessary or desirable to enable i-data to consummate the Offer on the terms set out in the Offer and to proceed with a subsequent acquisition transaction which will permit it to acquire all of the outstanding Common Shares shall have been received on terms and conditions satisfactory to i-data acting reasonably and expeditiously to obtain such consents or approvals.

7. Pursuant to the Offer and in accordance with the provisions of the statutory right of compulsory acquisition provided by section 206 of the CBCA, if the Offeror acquires not less than 90% of the Common Shares, the Offeror intends to acquire, within 120 days after the completion of the Offer, all remaining Common Shares from shareholders who did not accept the Offer. If less than 90%, but more than 66 % of the Common Shares are tendered to the Offer, the Offeror intends to proceed with a subsequent acquisition transaction to acquire the remaining Common Shares (the "Subsequent Acquisition Transaction"). Such Subsequent Acquisition Transaction may be a "going-private transaction" within the meaning of Q-27.

8. On October 12, 2000, i-data entered into a lock-up agreement (the "Lock-Up Agreement") with 171036 Canada Inc., 171033 Canada Inc., Peter Brojde and Maks Wulkan which companies are holding companies of Peter Brojde and Maks Wulkan, the two founders of Eicon (collectively, the "Vendors"). The shares of 171036 Canada Inc. are owned by Peter Brojde and by the Peter Brojde Trust, the trustees of which are Messrs. Brojde, Wulkan and Michael Blumenstein, who

is a director of Eicon. 171036 Canada Inc. owns 8,283,548 Common Shares which represent 24,41% of the Common Shares outstanding (21,72% on a fully-diluted basis). The shares of 171033 Canada Inc. are owned by Maks Wulkan. 171033 Canada Inc. owns 8,221,746 Common Shares which represent 24.23% of the Common Shares outstanding (21.56% on a fully-diluted basis). On October 11, 2000, 1122315 Ontario Inc. and 1122318 Ontario Inc., companies which are controlled by Peter Brojde and Maks Wulkan respectively, agreed to deposit 478,809 Common Shares to the Offer, which represent approximately 1.26% on a fully-diluted basis.

9. Further to the above-mentioned provisions, under the Lock-Up Agreement:

   a) the Vendors, and more particularly the Key Principals, made various important representations and warranties with respect to the business of Eicon;

   b) the Vendors agreed that 15% of the cash consideration to be paid to them pursuant to the Offer shall be held in escrow as security for their representations and warranties made pursuant to the Lock-Up Agreement, with one-third of such amount being released after three months and the balance after six months from the date of such payment;

   c) the Vendors have agreed to pay to i-data an amount equal to 50% of the difference between the consideration the Vendors receive under a Superior Proposal, as defined below, and $5.50 per Common Share net of any amounts paid by Eicon to i-data, as a break-up fee. In the event that i-data exercises its right to match a Superior Proposal, the Vendors shall pay to i-data an amount equal to 50% of the difference between the price offered under such Superior Proposal and $5.50 per Common Share up to a maximum of $25,000,000 net of any break-up fee paid by Eicon. Where the consideration received pursuant to a Superior Proposal consists of cash and non-cash consideration, the 50% payment to i-data shall consist of 50% of each kind of consideration. A Superior Proposal means an offer for all of the outstanding Common Shares or all or substantially all of the assets and liabilities of Eicon, which will pay Eicon shareholders upon completion of the transaction an aggregate consideration of more than $7.00 and which has a cash component of a minimum of $7.00.

   d) the Key Principals agreed not to carry on or engage in any business substantially similar to or competitive with the business as carried on by Eicon or i-data, for a period of three years from the signature date of the Lock-Up Agreement;

   e) the Key Principals agreed not to induce any employee of Eicon or i-data to leave his employment or not to employ or attempt to employ any employee of Eicon or i-data, for a period of three years from the signature date of the Lock-Up Agreement;

   f) each of Peter Brojde with 171036 Canada Inc, and Maks Wulkan with 171033 Canada Inc., agreed to severally indemnify i-data, against any claims arising from the affairs of Eicon, subject to a maximum amount of $20,000,000 each for a period of two years, reducing to $10,000,000 for claims relating to tax and environmental matters for an additional three years and $10,000,000 for claims relating to environmental matters for an additional period of five years.

10. On October 5, 2000, Shyamtech Inc., which is a party dealing at arm's length with i-data and the holder of 2,268,554 Common Shares on a fully-diluted basis, representing approximately 5.95% of the outstanding Common Shares, entered into an agreement with i-data pursuant to which it agreed to accept the Offer and to tender its Common Shares to the Offer.

11. If the Offer is successful, i-data intends to integrate Eicon's operations with its operations, and for this purpose, i-data believes that it must retain the Key Principals. i-data believes that the Key Principals have been and will continue to be an integral part of the successful development of Eicon's business and have substantial and valuable experience and expertise in the Eicon's business. i-data views the retention of the Key Principals as critical to the making of the Offer, as the Key Principals have contributed to the development of Eicon's business and have performed significant work on Eicon's current products and services. i-data has therefore decided to enter into new employment agreements (the "Employment Agreements") with the Key Principals.

12. If the Offer is successful, the position and responsibilities of Peter Brojde and Maks Wulkan in the new Eicon will be enhanced because of the integration of Eicon within i-data and its subsidiaries. It is expected that both Peter Brojde and Maks Wulkan will play an important role in the integration and combination of Eicon's business within i-data, and more particularly in the LASAT Network division of i-data, which is expected to be merged with Eicon.

13. Peter Brojde has been the President and Chief Executive Officer of Eicon since 1984, the year of its foundation. For the current fiscal year, Peter Brojde's compensation is comprised of a base salary of $340,000, a sum of $25,000 covering all expenses relating to his car, a sum of $13,500 for contribution to his Registered Retirement Saving Plan ("RRSP"), a sum of $10,000 for health expenses not covered by Eicon's group plan and a sum of $15,000 for tax and financial counselling. Peter Brojde has also been entitled to receive additional variable compensation, as a bonus, based on several financial indicators, including the gross revenue and gross margin of Eicon. For fiscal years 1999 and 1998, Peter Brojde received bonuses in the amount of $387,680 and $147,342

respectively. No bonuses were granted to Peter Brojde for the current fiscal year.

14. Maks Wulkan has been the Executive Vice President of Eicon since 1984. For the current fiscal year, Maks Wulkan's compensation is comprised of a base salary of $330,000, a sum of $25,000 covering all expenses relating to its car, a sum of $13,500 for contribution to his RRSP, a sum of $10,000 for health expenses not covered by Eicon's group plan and a sum of $15,000 for tax and financial counselling. Maks Wulkan has also been entitled to receive an additional variable compensation, as a bonus, based on general financial indicators, including the gross revenue and gross margin of Eicon. For fiscal years 1999 and 1998, Maks Wulkan received bonuses in the amount of $387,680 and $147,342 respectively. No bonuses were granted to him for the current fiscal year.

15. In addition to the compensation packages described above, discussions were concluded between the Compensation Committee of Eicon and the Key Principals pursuant to which the Compensation Committee has decided to recommend to the Eicon Board the granting of 600,000 options to each of the Key Principals, exercisable at various premiums to the closing price of August 15, 2000 over a ten-year period. However, considering the negotiations initiated by i-data with the Key Principals in connection with the Offer and in connection with the Employment Agreements, the Eicon Board decided to postpone the ratification of the recommendation of the Compensation Committee pending the outcome of the Offer.

16. The principal terms and conditions of the Employment Agreements, which would become effective upon the successful completion of the Offer, will be substantially similar to their existing employment terms with Eicon, except the following:

    a) the Employment Agreements shall have a term of two years;

    b) each of the Key Principals shall be entitled to an annual performance bonus equal to 0.75% of the combined net sales (sales minus credit notes and accepted returns) of Eicon and the LASAT division of i-data (the "Performance Bonus"). In no case shall such Performance Bonus exceed three times the Key Principals' base salary in respect of each full year of the term. The Performance Bonus will be paid within four weeks after the termination of each year of the Term. Should either of the Key Principals resign or be dismissed for cause, his Performance Bonus will not be payable;

    c) options to purchase 93,000 Common Shares of i-data (the "Options") shall be granted to each of Peter Brojde and Maks Wulkan respectively, exercisable at the closing price of such shares on the Copenhagen Stock Exchange on the day prior to the announcement of the Offer. 50% of such options shall vest one year from the date of the grant and 50% two years from such date. Unvested options will respectively be cancelled if a Key Principal resigns or is dismissed for cause. In the event of a change of control of i-data, or the dismissal of either of the Key Principals without cause, such Key Principals' options shall automatically and fully vest; and

    d) further to the non-competition and non-solicitation provisions contained in the Lock-Up Agreement, Peter Brojde and Maks Wulkan have respectively agreed, as employees of Eicon, during the term of the Employment Agreements, not to compete with Eicon and not to solicit any employee of Eicon to leave his employment.

17. The Employment Agreements were negotiated with the Key Principals at arm's length and are on terms and conditions that are commercially reasonable. The Key Principals positions will be enhanced and their responsibilities increased with respect to the combined business of i-data and Eicon. The retention of the Key Principals is necessary to ensure the continuity of the management of Eicon following the Offer. It is common business practice for high-tech companies to grant substantial Performance bonuses and options to their key employees.

18. The Options were "out of the money" as of the date of the Offer in they will be exercisable at DKK942 per i-data share and the closing price of the i-data shares on the Copenhagen Stock Exchange on October 12, 2000 was DKK860. In addition, i-data has agreed to make available an additional 40,000 i-data options to employees other than the Key Principals to assist in retaining said employees. The Eicon employees will also be eligible for i-data's option plan for employees of i-data and its subsidiary.

19. The benefits entitlement of the Key Principals, i.e. the Performance Bonus and the contemplated Option grants, is reasonable and provides for a reasonable level of incentives for each of the Key Principals in light of the following:

    a) the highly competitive nature of the business of Eicon and i-data;

    b) the importance of ensuring management continuity and, in particular, the importance of each of the Key Principals continuing role in the management, integration and development of Eicon, as part of i-data;

    c) the level of services to be rendered by each of the Key Principals to Eicon and i-data following the completion of the Offer;

    d) the termination of the Performance Bonus and Options provisions if the Key Principals resign or are terminated for cause; and

    e) the undertaking of the Key Principals, in their capacity of employees of Eicon and of Shareholders of Eicon separately, not to

compete with i-data and Eicon and not to solicit any of their employees for a period of two years.

20. As described herein, the Employment Agreements have been entered into for valid business reasons, which are unrelated to Key Principals holding of Common Shares and not for the purpose of providing an economic or collateral benefit to them that the other shareholders of Eicon do not enjoy.

21. Each of the Vendors, Shyamtech Inc., 1122315 Ontario Inc., and 1122318 Ontario Inc. have been negotiating the lock-up agreements with i-data at arm's length.

22. The independent financial advisor of the Eicon Board, NBF, has concluded to the fairness of the Offer from a financial point of view to the shareholders of Eicon.

23. As described herein, the Employment Agreements are in accordance with industry standard.

AND WHEREAS under the system, the MRRS Decision Document evidences the Decision of each Decision Maker;

AND WHEREAS each of the Decision Makers is satisfied that the test contained in the Legislation that provides the Decision Makers with the jurisdiction to make the Decision has been met;

THE DECISION of the Decision Makers under the Legislation is that the Employment Agreements which have been entered into with the Key Principals are made for reasons other than to increase the value of the consideration paid to them in respect of their Common Shares, and that the Employment Agreements may therefore be entered into.

November 6, 2000.

"Guy Lemoine" "Viateur Gagnon"

DANS L'AFFAIRE DE
LA LÉGISLATION EN VALEURS MOBILIÈRES
DU QUÉBEC, DE LA COLOMBIE-BRITANNIQUE,
D'ALBERTA, DU MANITOBA,
DE LA SASKATCHEWAN, D'ONTARIO, DE LA NOUVELLE-ÉCOSSE
ET DE TERRE-NEUVE

ET

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

ET

DANS L'AFFAIRE DE
i-data international a-s, i-data CANADA INC.

ET

CORPORATION TECHNOLOGIES EICON

DOCUMENT DE DÉCISION DU REC

CONSIDÉRANT QUE i-data international a-s (« i-data ») (le « Déposant ») propose de formuler par l'entremise de sa filiale en propriété exclusive, i-data Canada Inc. (l'« Initiateur »), une offre publique d'achat (l'« Offre ») visant l'acquisition de la totalité des actions ordinaires émises et en circulation (les « Actions Ordinaires ») de Corporation Technologies Eicon (« Eicon »);

QUE, l'autorité locale en valeurs mobilières ou l'agent responsable (le « Décideur ») respectif de chacune des provinces du Québec, de la Colombie-Britannique, d'Alberta, du Manitoba, de la Saskatchewan, d'Ontario, de la Nouvelle-Écosse et de Terre-Neuve (les « Territoires ») ont reçu une demande du Déposant pour une décision en vertu de la Législation en valeurs mobilières des Territoires (la « Législation ») selon laquelle :

(i) certaines conventions intervenues entre i-data et certains employés de Eicon reposent sur d'autres motifs que celui d'augmenter la contrepartie versée à ces employés pour leurs Actions Ordinaires et qu'ainsi ces conventions peuvent être conclues nonobstant l'exigence prévue dans la Législation interdisant, dans le contexte d'une offre publique d'achat, de conclure des ententes accessoires avec un porteur de l'émetteur visé par l'offre qui auraient pour effet d'offrir au porteur une contrepartie supérieure à celle offerte à tous les autres porteurs de la même catégorie de titres;

(ii) les Actions Ordinaires à être déposées par certains actionnaires de Eicon en réponse à l'Offre en vertu de la Convention de dépôt pourront être considérées comme faisant partie de la minorité pour les fins de l'approbation des porteurs minoritaires à l'égard de l'Opération d'acquisition subséquente (telle que définie ci-après) malgré les dispositions de la

Législation du Québec et de l'Ontario qui exige que l'émetteur doit exclure les titres déposés en relation avec l'opération antérieure pour l'approbation des porteurs minoritaires à l'égard de l'opération visée.

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

QUE le Déposant a déclaré au Décideur ce qui suit :

1. i-data est une société constituée en vertu des lois du Danemark qui a son siège social à Bagsvaerd, au Danemark. Elle s'occupe de la conception, de la fabrication et de la vente de produits de connectivité Internet et de dispositifs de gestion d'impression. Ses actions sont inscrites à la cote de la Bourse de Copenhague. Ni le Déposant ni l'Initiateur n'est, ni n'entend devenir, un émetteur assujetti dans une province canadienne.

2. Eicon est une société constituée en vertu de la *Loi canadienne sur les sociétés par actions* (la « LCSA ») qui a son siège social à Montréal et plusieurs divisions situées principalement en Europe et en Amérique du Nord. Eicon développe, commercialise et assure le soutien technique de produits matériels et logiciels de connexion de serveurs de réseau et d'ordinateurs personnels à des réseaux d'entreprises et à Internet. Eicon est un émetteur assujetti dans les provinces de la Colombie-Britannique, d'Alberta, de la Saskatchewan, du Manitoba, d'Ontario, du Québec, de la Nouvelle-Écosse, de l'Île-du-Prince-Édouard et de Terre-Neuve.

3. Le capital autorisé de Eicon est composé d'un nombre illimité d'Actions Privilégiées (aucune n'est en circulation) et d'un nombre illimité d'Actions Ordinaires. Au 28 septembre 2000, 33 932 760 Actions Ordinaires et 4 196 442 options visant l'acquisition d'Actions Ordinaires étaient en circulation. Les Actions Ordinaires sont inscrites à la Bourse de Toronto sous le symbole EIC. À ce jour, ni i-data ni l'une de ses filiales ne possède des Actions Ordinaires.

4. Le 12 octobre 2000, i-data et Eicon ont conclu une convention de soutien (la « Convention de soutien ») qui prévoit, notamment, que i-data formulera l'Offre, tel qu'il est décrit aux présentes, et que le conseil d'administration de Eicon recommandera à ses actionnaires d'accepter l'Offre. La Convention de soutien prévoit aussi qu'un montant de 5 700 000 $sera payé par Eicon à i-data à titre de prime usuelle de rupture advenant le cas où le conseil d'administration de Eicon retirait ou modifiait sa recommandation d'accepter l'Offre. Le comité indépendant de Eicon formé par son conseil d'administration afin d'étudier l'offre, a engagé Financière Banque Nationale à titre de conseiller financier, lequel a conclu, dans son opinion, que l'offre est équitable sur le plan financier pour les actionnaires de Eicon.

5. Le prix de l'Offre représente une prime de 72,41 % du prix de clôture des Actions Ordinaires inscrites à la Bourse de Toronto le 27 septembre 2000, le dernier jour de négociation immédiatement avant l'annonce des négociations en relation avec l'Offre, une prime de 21,95 % du cours de clôture à la Bourse de Toronto le 11 octobre, le dernier jour de négociation immédiatement avant l'annonce de l'Offre et une prime de 38,12 % du cours moyen de clôture des 20 derniers jours avant le 16 octobre 2000.

6. L'Offre qui a été transmise le 16 octobre 2000 aux actionnaires de Eicon est faite sous réserve des modalités et conditions habituelles, y compris le dépôt d'au moins 66 2/3 % des Actions Ordinaires (compte tenu de la dilution) en réponse à l'Offre et l'obtention de toutes les consentements, autorisations ou approbations des autorités gouvernementales ou des autorités de réglementation qu'i-data considère, à son absolue discrétion, nécessaires ou souhaitables pour lui permettre de réaliser l'offre et de procéder à une opération de deuxième étape lui permettant d'acquérir toutes les actions ordinaires en circulation d'Eicon, ont été obtenues à ces conditions qui conviennent à i-data, agissant raisonnablement et promptement afin d'obtenir ces consentements, autorisations ou approbations.

7. Conformément à l'Offre et au droit statutaire d'acquisition forcée prévu à l'article 206 de la LCSA, si le Déposant acquiert moins de 90 % des Actions Ordinaires, le Déposant peut acquérir dans les 120 jours après l'Offre, toutes les Actions Ordinaires restantes des actionnaires qui n'ont pas accepté l'Offre. Si moins de 90 %, mais plus de 66 2/3 %, des Actions Ordinaires sont offertes conformément à l'Offre, le Déposant peut procéder à une opération d'acquisition subséquente pour acquérir les Actions Ordinaires restantes (« Opération d'acquisition subséquente »). Cette Opération d'acquisition subséquente peut être une opération de fermeture selon l'*Instruction générale Q-27*.

8. Le 12 octobre 2000, i-data a conclu une convention de blocage (la « Convention de blocage ») avec certains actionnaires de Eicon, soit 171036 Canada Inc. et 171033 Canada Inc., lesquelles sociétés sont représentées par Peter Brojde et Maks Wulkan (« Dirigeants principaux »), les deux fondateurs de Eicon (collectivement les «Vendeurs»). Les actions de 171036 Canada Inc. appartiennent à Peter Brojde et à la Fiducie Peter Brojde, dont les fiduciaires sont MM. Peter Brojde, Maks Wulkan et Michael Blumenstein, qui est un administrateur de Eicon. Conformément à la Convention de blocage, i-data a accepté de faire l'Offre et les Vendeurs ont accepté de déposer, et de ne pas retirer, leur 16,505,294 Actions Ordinaires, soit 48,64 % des Actions Ordinaires en circulation (43,28 % en tenant compte de la pleine dilution). 171036 Canada Inc. est propriétaire de 8 283 548 Actions Ordinaires, soit 24,41 % des Actions Ordinaires en circulation (21,72 % en tenant compte de la pleine dilution). Les actions de 171033 Canada Inc. appartiennent à Maks Wulkan. 171033 Canada Inc. est propriétaire de 8 221 746 Actions Ordinaires, soit 24,23 % des Actions Ordinaires en circulation (21,56%

en tenant compte de la pleine dilution). Le 11 octobre 2000, 1122315 Ontario Inc. et 1122318 Ontario Inc., sociétés que contrôlent MM. Peter Brojde et Maks Wulkan, ont respectivement convenu de déposer au total 478 908 actions ordinaires en réponse à l'Offre représentant environ 1,41 % des actions ordinaires en circulation (1,26 % compte tenu de la dilution).

9. En plus des dispositions susmentionnées, aux termes de la Convention de dépôt :

   a) les Vendeurs, et plus particulièrement les Dirigeants Principaux, ont formulé diverses déclarations et garanties quant à l'entreprise de Eicon;

   b) les Vendeurs ont convenu que 15 % de la contrepartie au comptant qu'i-data leur versera dans le cadre de l'offre sera mise en main tierce en garantie de leurs déclarations, garanties et engagements, le tiers de cette somme étant libérée trois mois après la date d'effet et le solde six mois après la date d'effet;

   c) les Vendeurs ont aussi convenu de verser à i-data un montant correspondant à 50 % de la différence entre la contrepartie qu'ils reçoivent aux termes d'une proposition supérieure et 5,50 $, déduction faite de toute indemnité en cas de non-réalisation. De plus, si i-data exerce son droit d'égaler une proposition supérieure, les Vendeurs doivent payer à i-data une somme correspondant à 50 % de la différence entre le prix offert aux termes de cette proposition supérieure et 5,50 $ par action ordinaire, jusqu'à concurrence de 25 000 000 $, déduction faite de l'indemnité en cas de non-réalisation.

   d) les Dirigeants principaux ont accepté de ne pas continuer ou s'engager dans quelqu'affaire substantiellement similaire à ou compétionner avec l'entreprise telle que dirigée par Eicon ou i-data pour une période de 3 ans à partir de la date de signature de la Convention de dépôt;

   e) les Dirigeants Principaux ont accepté de ne persuader aucun des employés de Eicon ni i-data à laisser son emploi ou à ne pas employer ou tenter d'employer quelconque employé de Eicon ou i-data pour une période de trois ans à partir de la date de signature de la Convention de dépôt;

   f) chacun des Vendeurs ont accepté d'indemniser séparément i-data contre quelque réclamation que ce soit ayant un lien avec les affaires de Eicon jusqu'à concurrence, pour chacun : de 20 M $ pour une période de deux ans; réduisant à 10 M $ pour les réclamations fiscales ou environnementales pour trois années additionnelles; et restant 10 M $ pour les réclamations environnementales pour cinq années additionnelles.

10. Le 5 octobre 2000, Shyamtech Inc., une partie à distance de i-data, a convenu de déposer 2 268 554 actions ordinaires, représentant 6,69 % des Actions Ordinaires en circulation (5,95 % compte tenu de la dilution) en réponse à l'Offre pour autant qu'au même moment les Actions Ordinaires des Dirigeants principaux soient déposées. Les Actions Ordinaires de Shyamtech Inc. ne peuvent être retirées à moins que les Actions Ordinaires des Dirigeants principaux ne soient retirées, auquel cas les Actions Ordinaires de Shyamtech Inc. peuvent être retirées au même moment et aux mêmes conditions.

11. i-data considère que l'acquisition de Eicon est souhaitable dans le contexte actuel de la nature complémentaire des entreprises de i-data et de Eicon. Afin de réaliser l'intégration de l'entreprise de Eicon à celle de i-data, i-data a décidé de maintenir en poste les Dirigeants principaux, soit Peter Brojde et Maks Wulkan (les « Dirigeants principaux ») et entend conclure des contrats de travail avec eux. i-data est d'avis que les Dirigeants principaux ont largement contribué à la croissance de l'entreprise de Eicon et possèdent une grande expérience de vastes et précieuses connaissances de l'entreprise de Eicon. i-data considère le maintien en poste des Dirigeants principaux comme une condition essentielle à la formulation de l'Offre, puisque les Dirigeants principaux ont contribué à la croissance de l'entreprise de Eicon et ont largement contribué au développement des produits et services actuels de Eicon. i-data, a par conséquent, décidé de conclure de nouveaux contrats de travail (les « Contrats de travail ») avec les Dirigeants principaux.

12. Si l'Offre est fructueuse, les positions et responsabilités des Dirigeants principaux dans la nouvelle entreprise fusionnée s'accroîtra. Il est à prévoir que les Dirigeants principaux jouerons un rôle important dans l'intégration et la combinaison des affaires de Eicon dans celle de i-data, et plus particulièrement dans la division LASAT Network de i-data.

13. Peter Brojde est le président et chef de la direction de Eicon depuis 1984, soit l'année de sa fondation. Pour l'année fiscale courante, Peter Brojde reçoit un salaire de base de 340 000 $, une somme de 25 000 $ pour ses dépenses reliées à son automobile, une somme de 13 500 $ en cotisation à son régime enregistré d'épargne-retraite (REER), une somme de 10 000 $ pour des dépenses des santé non couvertes par le Plan de Eicon ainsi qu'une somme de 15 000 $ pour des conseils fiscaux et financiers. Peter Brojde a également droit de recevoir une compensation variable additionnelle à titre de prime, basée sur des facteurs financiers, comme les revenus bruts et la marge brute de Eicon. Pour les années fiscales 1999 et 1998, Peter Brojde a reçu des primes aux montants respectifs de 387 680 $ et 147 342 $. Aucune prime ne lui a été accordée pour l'année fiscale courante.

14. Maks Wulkan a été vice-président à la direction de Eicon depuis 1984. Pour l'année fiscale courante, Maks Wulkan reçoit un salaire de base de 330 000 $, une somme de 25 000 $ pour ses dépenses reliées à son automobile, une somme de 13 500 $ en cotisation à

son REER, une somme de 10 000 $ pour des dépenses de santé non-couvertes par le Plan de Eicon ainsi qu'une somme de 15 000 $ pour des conseils fiscaux et financiers. Maks Wulkan a également droit de recevoir une compensation variable additionnelle à titre de prime, basée sur des facteurs financiers, comme les revenus bruts et la marge brute de Eicon. Pour les années fiscales 1998 et 1999, Maks Wulkan a reçu des primes aux montants respectifs de 387 680 $ et 147 342 $. Aucune prime ne lui a été accordée pour l'année fiscale 2000.

15. En plus des compensations financières ci-haut décrites, des discussions ont été tenues entre le comité de rémunération de Eicon et les Dirigeants principaux en vertu desquelles le Comité de rémunération avait décidé de recommander au conseil d'administration de Eicon d'accorder à chacun des Dirigeants principaux des options d'achat visant 600 000 actions ordinaires à des prix d'exercice au-dessus du prix de clôture sur la Bourse de Toronto le 15 août 2000. Toutefois, en raison des négociations initiées par i-data auprès des Dirigeants principaux à l'égard de l'Offre et des Contrats de travail, le conseil d'administration de Eicon a décidé de retarder la ratification de l'octroi des options aux Dirigeants principaux.

16. Les principales modalités des Contrats de travail, qui prendront effet à la réalisation de l'Offre, seront essentiellement les mêmes que celles des contrats actuels entre les Dirigeants principaux et Eicon, sauf les modifications suivantes :

    a) les Contrats de travail ont une durée de deux ans;

    b) chacun des Dirigeants principaux a droit à une prime de performance équivalente à 0,75 % des ventes nettes combinées (ventes moins notes de crédit et retours acceptés) de Eicon et de la division LASAT de i-data (« Prime de performance »). En aucun cas la Prime de performance ne dépassera trois fois le salaire de base des Dirigeants principaux. La Prime de performance sera payée à l'intérieur d'un délai de quatre semaines suite à la terminaison de chaque année du terme de deux ans. Aucune Prime de performance ne sera payée si les Dirigeants principaux démissionnent ou sont licenciés pour un motif valable dans les deux ans;

    c) des options visant l'achat de 93 000 actions ordinaires de i-data (les « Options ») sont octroyées à chacun de Peter Brojde et de Maks Wulkan, lesquelles peuvent être exercées au cours de clôture moyen de ces actions à la Bourse de Copenhague pour un jour de bourse qui précèdent l'annonce de l'Offre. 50 % de ces Options seront acquises au premier anniversaire de la date d'octroi et 50 % au deuxième anniversaire de la date d'octroi. Les actions non acquises seront annulées si les Dirigeants principaux démissionnent ou sont licenciés pour un motif valable. En cas de changement de contrôle de i-data ou de licenciement pour cause, ces Options deviennent automatiquement et complètement acquises;

    d) en plus des engagements de non-concurrence et de non-sollicitation prévues à la Convention de dépôt, Peter Brojde et Maks Wulkan ont convenu, durant la durée de leur emploi, de ne pas concurrencer Eicon ni de solliciter ses employés.

17. Les Contrats de travail ont été négociés avec les Dirigeants principaux sans lien de dépendance et ont été faits selon des modalités et conditions raisonnables sur le plan commercial et, compte tenu de l'amélioration de leurs fonctions et responsabilités au sein de la nouvelle société Eicon. La rétention des Dirigeants principaux est essentielle afin d'assurer la continuité de la gestion de Eicon suite à l'Offre. Il est de pratique usuelle d'octroyer des bonus et option substantielle à des employés-clés.

18. Les Options étaient hors du cours à la date de l'Offre et pourront être levées aux prix de 994 DKK l'action ordinaire et le cours à la clôture des actions de i-data à la Bourse de Copenhague, le 12 octobre 2000 était 860 DKK. De plus, i-data a accepté de rendre disponible 40 000 options additionnelles à ses employés, autres que les Dirigeants principaux, afin de les garder. Les employés de Eicon seront également éligibles au plan d'options des employés de i-data et de ses subsidiaires.

19. Le droit aux avantages des Dirigeants principaux, c.-à-d. la Prime de performance et l'octroi d'Options envisagées, est raisonnable et constitue un intéressement raisonnable pour chacun des Dirigeants principaux compte tenu de ce qui suit :

    a) la nature hautement concurrentielle de l'entreprise de Eicon et de i-data;

    b) l'importance d'assurer la continuité de la gestion et, notamment, l'importance du maintien du rôle de chacun des Dirigeants principaux dans la gestion, l'intégration et le développement de Eicon en tant que partie intégrante de i-data;

    c) la qualité des services que chacun des Dirigeants principaux doit rendre à Eicon et à i-data après la conclusion de l'Offre;

    d) l'annulation de toute Prime de performance si les Dirigeants principaux démissionnent ou sont licenciés pour un motif valable;

    e) l'engagement des Dirigeants principaux, en leur capacité d'employés de Eicon et d'actionnaires de Eicon, de façon distincte, à ne pas compétitionner avec i-data et Eicon et à ne pas solliciter aucun de leurs employés pour une période de deux ans.

20. Tel que mentionné ci-haut, les Contrats de travail ont été conclus pour des raisons valides au plan commercial, non reliées au fait que les Dirigeants

principaux sont porteurs d'Actions Ordinaires de Eicon et non afin de leur procurer un bénéfice économique ou collatéral que les autres actionnaires ne peuvent recevoir également;

21. Tel que mentionné ci-haut, les contrats de travail sont conformes aux normes de l'industrie.

22. Chacun des Vendeurs, Shyamtech Inc., 1122315 Ontario Inc. et 1122318 Ontario Inc. traitent à distance avec i-data;

23. Le conseiller financier du comité indépendant de Eicon, Financière Banque Nationale, a conclu, dans son opinion, que l'offre est équitable sur le plan financier pour les actionnaires de Eicon.

QUE, selon le régime, le présent document de décision du REC confirme la décision de chaque Décideur;

ET QUE chacun des Décideurs est d'avis que le test prévu dans la Législation qui accorde le pouvoir discrétionnaire aux Décideurs a été respecté;

LA DÉCISION des Décideurs en vertu de la Législation est que la conclusion des Contrats de travail avec les Dirigeants principaux repose sur d'autres motifs que celui d'augmenter la contrepartie qui est versée à l'égard de leurs Actions Ordinaires et que les Contrats de travail peuvent donc être conclus.

Fait le 6 novembre 2000.

"Guy Lemoine" "Viateur Gagnon"

2.1.10 Merrill Lynch Ventures International - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – trade in units of limited partnership formed by U.S. investment dealer to certain qualified employees, officers and non-employee directors who meet certain suitability standards not subject to dealer registration and prospectus requirements of the Legislation, subject to certain conditions – subsidiary of U.S. investment dealer providing investment advice to limited partnerships that are not registrants under the Legislation not subject to the advisor registration requirements of the Legislation, subject to certain conditions.

Applicable Ontario Statutory Provisions

Securities Act, R.S.O. 1990, c.S.5, as am., ss. 25(1)(a), 25(1)(c), 53, 74(1).

Other Statutes Cited

United States Securities Act of 1933, as amended.

IN THE MATTER OF
THE SECURITIES LEGISLATION OF
ALBERTA, BRITISH COLUMBIA, NOVA SCOTIA,
MANITOBA, ONTARIO
PRINCE EDWARD ISLAND AND QUÉBEC

AND

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

AND

IN THE MATTER OF
MERRILL LYNCH CANADA INC.

AND

MERRILL LYNCH VENTURES INTERNATIONAL L.P. 2001

MRRS DECISION DOCUMENT

WHEREAS the local securities regulatory authority or regulator (the "**Decision Maker**") in each of Alberta, British Columbia, Nova Scotia, Manitoba, Ontario, Prince Edward Island and Québec (the "**Jurisdictions**") has received an application from Merrill Lynch Canada Inc. ("**Merrill Lynch Canada**") and Merrill Lynch Ventures, LLC (the "**General Partner**") for a decision under the securities legislation of the Jurisdictions (the "**Legislation**") that the requirements contained in the applicable Legislation:

(i) to be registered to trade in a security and to file and obtain a receipt for a preliminary prospectus

and a prospectus (the "**Registration and Prospectus Requirement**"); and

(ii) to be registered as an adviser under the Legislation where such a person or company engages in or holds himself, herself or itself out as engaging in the business of advising others as to the investing in or the buying and selling of securities (the "**Adviser Registration Requirement**")

shall not apply in connection with the proposed offering (the "**Offering**") of limited partnership units (the "**Units**") in the Merrill Lynch Ventures International L.P. 2001 (the "**Partnership**") to certain employees, officers and non-employee directors of Merrill Lynch Canada subject to certain conditions.

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 Merrill Lynch Canada and the General Partner have represented to the Decision Makers that:

(1) Merrill Lynch Canada is a corporation existing under the *Business Corporations Act* (Canada). Its head office is located in Toronto, Ontario. It is not a reporting issuer in any of the Jurisdictions or in any other province in Canada. It is registered as an investment dealer or its equivalent under the Legislation in each of the Jurisdictions.

(2) The Partnership is a limited partnership formed and registered in the Cayman Islands.

(3) The Partnership is an investment vehicle formed, managed and advised by affiliates of Merrill Lynch & Co., Inc. ("**ML&Co.**"). The Partnership is not, and has no intention of becoming, a reporting issuer under the Legislation.

(4) The General Partner of the Partnership, a Delaware limited liability company, will be the sole general partner of the Partnership and an indirect wholly-owned subsidiary of ML&Co. The General Partner is a newly formed entity with no other operations, and is not a reporting issuer under the Legislation nor registered in any capacity under the Legislation.

(5) An offering memorandum (the "**Offering Memorandum**") has been prepared in connection with the Offering which contains disclosure concerning the Partnership, the Units, the Merrill Lynch Ventures L.P. 2001 (the "**Ventures Partnership**") and limited partnership units thereof ("**Ventures Units**").

(6) Merrill Lynch Canada will offer the Units in Canada to certain of its employees, officers and non-employee directors, and it is expected that affiliates of ML & Co. will offer Ventures Units in approximately thirty-five (35) other countries to high-income employees of ML & Co. and its affiliates ("**Merrill Lynch**").

(7) The Partnership has been organized to permit certain qualified employees and non-employee directors of Merrill Lynch Canada who meet certain suitability standards (each, a "**Canadian Eligible Investor**") to purchase Units.

(8) Each Canadian Eligible Investor will fall within one or more of the following categories:

(a) an individual currently registered, or who meets the proficiency requirements and other qualifications to be registered, under the Legislation in the Jurisdiction where he or she resides as an adviser;

(b) an individual who has completed an undergraduate or postgraduate university degree in business administration or commerce and/or who generally has five years or more of continuous relevant experience providing either retail or institutional clients with a full range of services related to investment advice, money management, and/or investment banking; or

(c) an individual that holds one of the following titles with Merrill Lynch Canada: Managing Director, Senior Vice-President, Executive Vice-President or Director.

(9) There will be no more than 190 Canadian Eligible Investors resident in Canada. The distribution of such Canadian Eligible Investors across Canada is as follows: 23 residents of Alberta, 15 residents of British Columbia, five residents of Nova Scotia, one resident of Manitoba, 118 residents of Ontario, 27 residents of Quebec, and one resident of Prince Edward Island.

(10) The Partnership has been structured to hold Ventures Units in the Ventures Partnership in order to avoid certain potential U.S. tax consequences to Canadian Eligible Investors.

(11) Ventures Units in the Ventures Partnership will not be distributed in Canada.

(12) Merrill Lynch Canada will provide each Canadian Eligible Investor with a copy of the Offering Memorandum and a subscription agreement describing the subscription terms. The Offering Memorandum will provide additional disclosure relevant to Canadian Eligible Investors including a statement to the effect that a right of action for rescission or damages for misrepresentations in the Offering Memorandum will be provided. Canadian Eligible Investors will also be provided

with a copy of the Partnership limited partnership agreement and the Ventures Partnership limited partnership agreement.

(13) The Units have not been and will not be registered under the *Securities Act of 1933*, as amended, and the Partnership is not and does not intend to become registered under the *Investment Company Act of 1940*, as amended.

(14) The principal investment objective of the Ventures Partnership is long-term capital appreciation. It is expected that a significant portion of its assets will be invested in privately-offered equity investments in U.S. and non-U.S. (other than Australian) issuers. The Ventures Partnership's investments may include securities issued in venture capital financings, financings of companies in an early stage of development, investments in growth equities, leveraged buyout transactions and transactions involving financial restructurings or recapitalizations of operating companies.

(15) The minimum investment for each Canadian Eligible Investor is ten Units (US$10,000) and additional Units may be purchased in increments of US$5,000.

(16) Within 180 days after the end of the Partnership's fiscal year, or as soon thereafter as practicable, the General Partner will send to each person who was a partner in the Partnership (a "**Limited Partner**") at any time during the fiscal year then ended, annual reports including financial statements of the Partnership audited by a certified public accountant, including the portfolio valuation as of the end of said fiscal year, and a report of the investment activities of the Ventures Partnership during that year.

(17) Under the limited partnership agreement governing the Partnership, the Units are non-redeemable, non-transferable and non-assignable, except for transfers to another Canadian Eligible Investor, transfers to a member of the Limited Partner's immediate family which means any parent, spouse of a parent, child, spouse of a child, spouse, brother, or sister, and includes step and adoptive relationships (the "**Immediate Family**") or transfers resulting from operation of law. No transfer can occur without the prior written consent of the General Partner.

(18) Canadian Eligible Investors will participate in the Offering on a voluntary basis and are not being induced to purchase Units by expectation of employment or continued employment with Merrill Lynch Canada, or any of its affiliates.

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:

A. The Registration and Prospectus Requirements shall not apply to a trade in the Units made by the Partnership to a Canadian Eligible Investor, provided that:

(a) the Canadian Eligible Investor is not induced to purchase Units by expectation of employment or continued employment with Merrill Lynch Canada, or any of its affiliates, and acquires the Units voluntarily; and

(b) a copy of the Offering Memorandum is provided to the Canadian Eligible Investor and filed with the local securities authority in the Jurisdiction of the trade.

B. The first trade in Units acquired pursuant to the Decision or a trade in Units by any person or company referred to in this paragraph in a Jurisdiction shall be deemed to be a distribution or a primary distribution to the public, unless such trade is made to any of the following:

(a) the General Partner or a Limited Partner;

(b) an affiliate of the General Partner;

(c) a member of the Limited Partner's Immediate Family;

(d) a corporation controlled by a Limited Partner and/or any member of his or her Immediate Family where the Limited Partner is an officer or director of the corporation and where all the shares are owned at all times by any combination of the Limited Partner, members of his or her Immediate Family, the children of any of them or the offspring of such children;

(e) a trust where all the beneficiaries are any combination of the Limited Partner, members of his or her Immediate Family, the children of any of them or the offspring of such children and at least one of the trustees is the Limited Partner;

(f) a registered retirement savings plan and/or personal holding company of the Limited Partner; or

(g) a person or company acquiring Units by operation of law.

C. The Adviser Registration Requirement of the applicable Legislation shall not apply to the General Partner or its

designees for the purposes of providing investment advice to the Partnership and the Ventures Partnership, so long as:

(a) the Canadian Eligible Investors are the only persons to whom Units are distributed in Canada; and

(b) where the General Partner or its designees act as advisers to the Partnership or the Ventures Partnership in respect of securities of Canadian issuers, such advice is incidental to their acting as an adviser to the Partnership or the Ventures Partnership in respect of securities of foreign issuers.

January 18, 2001.

"J.A. Geller" "Stephen Adams"

2.1.11 Clarica Funds - MRRS Decision

Headnote

Relief to permit mutual funds to exceed concentration restrictions in tracking target securities market indices.

Statutes Cited:

Securities Act, R.S.O. 1990, c. S5, as amended, s. 111.

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

AND

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

AND

IN THE MATTER OF
CLARICA BOND INDEX FUND
CLARICA CANADIAN EQUITY INDEX FUND

MRRS DECISION DOCUMENT

WHEREAS the Canadian securities regulatory authority or regulator (the "Decision Maker") in each of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, New Brunswick, Nova Scotia, Prince Edward Island, Newfoundland, Yukon Territory, Northwest Territories and Nunavut Territory (the "Jurisdictions") have received an application from Clarica Diversico Ltd. ("Clarica"), in its capacity as manager and promoter of the Clarica Bond Index Fund and Clarica Canadian Equity Index Fund (collectively, the "Funds"), for a decision pursuant to the Canadian securities legislation of Ontario, British Columbia, Alberta, Saskatchewan, Quebec, Nova Scotia and Newfoundland (the "Legislation") that the following restrictions (the "Restrictions") contained in the Legislation shall not apply in respect of investments made by the Funds:

1. the restrictions contained in the Legislation prohibiting a mutual fund from knowingly making an investment in any person or company who is a substantial security holder of the mutual fund, its management company or distribution company; and

2. the restrictions contained in the Legislation prohibiting a mutual fund from knowingly holding an investment in any person or company who is a substantial security holder of the mutual fund, its management company or distribution company.

WHEREAS pursuant to the Mutual Reliance System for Exemptive Relief Applications (the "System"), the Ontario

Securities Commission is the principal regulator for this application;

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

1. Clarica is a corporation incorporated under the laws of Ontario. Clarica is the manager and promoter of the Funds.

2. A preliminary simplified prospectus and a preliminary annual information form in respect of the Funds, both dated October 23, 2000, have been filed with each of the Jurisdictions.

3. Each Fund will be a reporting issuer under the securities legislation of each Jurisdiction.

4. TD Asset Management Inc. ("TDAM") is the portfolio advisor of the Funds. TDAM is a mutual fund dealer and an investment counsel and portfolio manager.

5. TDAM is a wholly owned subsidiary of The Toronto-Dominion Bank ("TD Bank"). Shares of the TD Bank are listed on The Toronto Stock Exchange (the "TSE").

6. Clarica is a wholly owned subsidiary of Clarica Life Insurance Company ("Clarica Life"). Shares of Clarica Life are listed on the TSE.

7. The Funds will be open-ended mutual fund trusts established by Clarica under the laws of Ontario by declarations of trust and the investment objective of each of the Funds is to track the performance of a specified target index.

8. The Funds are all index mutual funds as defined in NI 81-102 .

9. Among the securities comprising The Toronto Stock Exchange Total Return Index are those of Clarica Life and TD Bank. Securities of Clarica Life or TD Bank, could also be included in the Scotia Capital Bond Universe Index.

10. The target index for each Fund is disclosed in the Investment Objectives in the preliminary prospectus. It is part of the fundamental nature of the Funds that all the assets of the Funds are invested in the companies included in the target index or instruments that provide exposure to the securities of the companies that are included in the target index, and that the portfolios of the Funds are not actively managed.

11. The number of securities comprising the target index of each Fund in which each Fund actually invests from time to time will depend upon the size and value of the assets of the Fund. The Fund will therefore be rebalanced to track the target index as closely as possible while minimizing trading costs.

12. The portfolios of the Funds will not be actively managed. The portfolios will be passive and will be comprised of securities comprising the target indices of the Funds. All purchases and sales of the portfolios of the Funds will be determined by the composition of the target indices and the weightings therein of the constituent securities.

13. The deviation from the Restrictions, will not be the result of any active decision of the TDAM or Clarica to increase the investment of a Fund in any particular issuer, but rather an indirect consequence of carrying out the investment objective of the Fund, to match the performance of the target index.

14. The investments of the Funds in the target indices represent the business judgement of responsible persons uninfluenced by considerations other than the best interests of the Funds.

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 Decisions;

THE DECISION of the Decision Makers pursuant to the Legislation is that the Restrictions do not apply to the investment by the Funds in securities of Clarica Life or TD Bank.

PROVIDED THAT the portion of the Funds assets invested in these securities is determined according to each Fund's investment objective of tracking the performance of a specified index, and not pursuant to the discretion of TDAM or Clarica.

December 22, 2000.

"Howard I. Wetston" "J.A. Geller"

2.1.12 AIC Limited et al. - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications – Request that all material relating to an application for relief from certain take-over bid requirements and mutual fund provisions, including order granted, be held in confidence subject to certain conditions - Applicant in delicate discussions with target to make offer for target shares that would be financially superior to existing offer - Substantial likelihood that offer will not be made if materials not held in confidence - Conditions include intention to make offer, obligation under securities legislation and prior written notice from any regulator stating intention not to hold material in confidence - Order granted with conditions.

Applicable Ontario Statutory Provisions

National Policy 12-201 - Mutual Reliance Review System for Exemptive Relief Applications, section 5.3.

IN THE MATTER OF
THE SECURITIES LEGISLATION OF
BRITISH COLUMBIA, ALBERTA, SASKATCHEWAN, MANITOBA, ONTARIO, QUEBEC, 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
AIC LIMITED
1450473 ONTARIO INC.
AIC ADVANTAGE FUND
AIC ADVANTAGE FUND II
AIC CANADIAN FOCUSED FUND

AND

AIC DIVERSIFIED CANADIAN FUND

MRRS DECISION DOCUMENT

WHEREAS the local securities regulatory authority or regulator (collectively, the **"Decision Makers"**) in each of the Provinces of Ontario, British Columbia, Alberta, Saskatchewan, Manitoba, Quebec, Nova Scotia, Newfoundland, and Prince Edward Island (collectively, the "Jurisdictions") has received an application (the "Application") from AIC Limited ("AIC") and 1450473 Ontario Inc. ("Bidco"), which will become the direct or indirect parent company of AIC, and on behalf of AIC Advantage Fund, AIC Advantage Fund II, AIC Canadian Focused Fund, and AIC Diversified Canadian Fund (all of them collectively, the "Applicants"), for a decision (the "Decision") pursuant to the securities legislation of the Jurisdictions (the "Legislation") that the MRRS Decision Document dated December 7, 2000 (the "MRRS Order"), the Application dated October 31, 2000 filed in connection with the MRRS Order, as supplemented, this Decision Document and the Application (collectively, the "Confidential Materials") be held in confidence by the Decision Makers subject to certain conditions;

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 the Applicants have represented to the Decision Makers as follows:

1. The Applicants are currently in discussions (the "Discussions") with Mackenzie Financial Corporation ("Mackenzie") with a view to Bidco possibly making a take-over bid (the "Bidco Offer") for all the common shares of Mackenzie (the "Mackenzie Shares").

2. In the event that the Applicants make the Bidco Offer, the MRRS Order provides that the Bidco Offer will be financially superior to the offer for Mackenzie Shares made by C.I. Fund Management Inc. by way of a take-over bid circular dated November 17, 2000.

3. In the event that the Decision is not granted and the Confidential Materials are not held in confidence, there is a substantial likelihood that the Bidco Offer will not be made. At this time, Bidco has not made any determination on whether to proceed with the Bidco Offer.

AND WHEREAS pursuant to the System this MRRS Decision Document evidences the Decision of each Decision Maker;

AND WHEREAS each Decision Maker 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 Confidential Materials will be held in confidence by the Decision Makers until the occurrence of the earliest of the following:

(a) Bidco announces its intention to make the Bidco Offer;

(b) the Discussions have to be and are disclosed pursuant to National Policy 40 or otherwise under the Legislation;

(c) the Applicants advise the Regulators that there is no longer any need to hold the Confidential Materials in confidence; or

(d) 24 hours following written notice (the "Notice") from a Regulator, as defined under National Instrument 14-101 - Definitions, to the Applicants stating his or her intention to no longer hold the Confidential Materials in confidence, unless the Notice is retracted by the Regulator within such 24 hour period.

December 18, 2000.

"R. Stephen Paddon" "Robert W. Davis"

2.1.13 I.G. Investment Management Ltd. et al. - MRRS Decision

Headnote

Relief from the requirements of clause 111(2)(b) and subsection 111(3), clauses 117(1)(a) and 117(1)(d) in respect of passive fund-of-fund structures. Future-oriented relief granted.

Statutes Cited

Securities Act (Ontario), R.S.O. 1990, c.S. 5, as am ss. 111(2)(b), 111(3), 117(1)(a) and 117(1)(d).

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

AND

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

AND

IN THE MATTER OF
I.G. INVESTMENT MANAGEMENT, LTD.

AND IN THE MATTER OF
1WORLD CONSERVATIVE PORTFOLIO
1WORLD MODERATE CONSERVATIVE PORTFOLIO
1WORLD MODERATE PORTFOLIO
1WORLD MODERATE AGGRESSIVE PORTFOLIO
1WORLD MODERATE AGGRESSIVE REGISTERED PORTFOLIO
1WORLD AGGRESSIVE PORTFOLIO
1WORLD AGGRESSIVE REGISTERED PORTFOLIO

MRRS DECISION DOCUMENT

WHEREAS the Canadian securities regulatory authority or regulator (the "Decision Maker") in each of Alberta, British Columbia, Newfoundland, Nova Scotia, Ontario and Saskatchewan (the "Jurisdictions") have received an application from I.G. Investment Management, Ltd. ("IGIM"), the manager of the Top Funds (as hereinafter defined), and the Top Funds for a decision pursuant to the securities legislation of the Jurisdictions (the "Legislation") that the following provisions of the Legislation (the "Applicable Requirements") shall not apply in respect of certain investments to be made by a Top Fund in an Underlying Fund (as hereinafter defined):

A. the requirements contained in the Legislation prohibiting a mutual fund from knowingly making or holding an investment in a person or company in which the mutual fund, alone or together with one or more related mutual funds, is a substantial security holder; and

B. the requirements contained in the Legislation requiring a management company, or in British Columbia, the mutual fund manager, to file a report of every transaction of purchase or sale of securities between the mutual fund and any related person or company or any transaction in which, by arrangement other than an arrangement relating to insider trading in portfolio securities, the mutual fund is a joint participant with one or more of its related persons or companies.

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 it has been represented by IGIM to the Decision Makers that:

1. IGIM is a corporation incorporated under the laws of Canada and it (or an affiliate of IGIM) will manage the Top Funds and the Underlying Funds. The head office of IGIM is located in Manitoba.

2. IGIM proposes to establish a new group of mutual funds initially comprised of 1World Conservative Portfolio, 1World Moderate Conservative Portfolio, 1World Moderate Portfolio, 1World Moderate Aggressive Portfolio, 1World Moderate Aggressive Registered Portfolio, 1World Aggressive Portfolio and 1World Aggressive Registered Portfolio to be know as the 1World Portfolios (collectively the "Existing Top Funds"), which will achieve their investment objectives by investing fixed percentages of their respective assets (other than cash) in specified underlying Investors Group mutual funds (the "Existing Underlying Funds"). IGIM may in the future add other mutual funds with the same investment objectives as the Existing Top Funds (the "Future Top Funds" and collectively with the Existing Top Funds, the "Top Funds") to the 1World Portfolios group of funds.

3. IGIM may in the future establish other mutual funds (the "Future Underlying Funds" and collectively with the Existing Underlying Funds, the "Underlying Funds") other than the Existing Underlying Funds.

4. Each of the Top Funds is or will be an open-ended investment trust established under the laws of the Province of Manitoba.

5. Each of the Existing Underlying Funds, other than the Janus American Equity Fund, is an open-ended investment trust established under the laws of the Province of Manitoba. The Janus American Equity Fund is an open-ended investment trust established under the laws of the Province of Ontario.

6. Securities of the Top Funds and the Underlying Funds are or will be qualified for distribution in all of the provinces and territories in Canada pursuant to a simplified prospectus and annual information form or, in the case of the Investors Real Property Fund, a long form prospectus.

7. Each of the Existing Top Funds will be eligible for registered plans and, other than the 1World Moderate Aggressive and 1World Aggressive Portfolio, will be not be considered foreign property for the purposes of the Income Tax Act (Canada).

8. The Top Funds have been or will be created to provide investors with a professionally managed portfolio designed to suit individual investor objectives, risk tolerance and investment time horizons.

9. In order to achieve the investment objectives of the Top Funds, IGIM, using strategic asset allocation, will invest fixed percentages (the "Fixed Percentages") of the assets of the Top Funds (other than cash and cash equivalents) in securities of specified Underlying Funds, subject to a variation of 2.5% above or below the Fixed Percentages (the "Permitted Ranges") to account for market fluctuations. The Underlying Funds will have investment objectives that IGIM considers to align with the investment objectives of the Top Funds.

10. The simplified prospectus of a Top Fund will disclose the investment objectives, investment strategies, risks and restrictions of the Top Fund and the applicable Underlying Funds, the Fixed Percentages and the Permitted Ranges within which such Fixed Percentages may vary.

11. The investments by the Top Funds in the Underlying Funds will be without sales or redemption charges and without duplication of management fees.

12. The Top Funds will not invest in any mutual fund whose investment objective includes investing directly or indirectly in other mutual funds.

13. The investments by the Top Funds in securities of the Underlying Funds will represent the business judgement of responsible persons (as defined in the Legislation), uninfluenced by considerations other than the best interest of the Top Funds.

14. Except to the extent evidenced by this Decision and specific approvals granted by the Decision Makers pursuant to National Instrument 81-102 Mutual Funds ("NI81-102"), the investments by the Top Funds in the Underlying Funds have been or will be structured to comply with the investment restrictions of the Legislation and NI81-102.

15. In the absence of this Decision, pursuant to the Legislation, each Top Fund is prohibited from knowingly making or holding an investment in a person or company in which the mutual fund, alone or together with one or more related mutual funds, is a substantial unitholder. As a result, in the absence of this Decision the Top Funds would be required to divest themselves of any investments referred to in paragraph 9 hereof.

16. In the absence of this Decision, the Legislation requires IGIM to file a report on every purchase or sale of units of an Underlying Fund by a Top Fund.

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

AND WHEREAS each of the Decision Makers is satisfied that the tests 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 Applicable Requirements shall not apply so as to prevent the Top Funds from making and holding an investment in securities of the Underlying Funds or require IGIM to file a report relating to the purchase or sales of such securities.

PROVIDED IN EACH CASE THAT:

1. the Decision, as it relates to the jurisdiction of a Decision Maker, will terminate one year after the publication in final form of any legislation or rule of that Decision Maker dealing with matters in section 2.5 of National Instrument 81-102.

2. the Decision shall only apply if, at the time a Top Fund makes or holds an investment in its specified Underlying Funds, the following conditions are satisfied:

   (a) the securities of both the Top Fund and the Underlying Funds are being offered for sale in the jurisdiction of the Decision Maker pursuant to a simplified prospectus and annual information form or, in the case of the Investors Real Property Fund, a long form prospectus, which have been filed with and accepted by the Decision Maker;

   (b) the investment by the Top Fund in the Underlying Funds is compatible with the fundamental investment objectives of the Top Fund;

   (c) the simplified prospectus discloses the intent of the Top Fund to invest in securities of the Underlying Funds, the names of the Underlying Funds, the Fixed Percentages and the Permitted Ranges within which such Fixed Percentages may vary;

   (d) if the Top Fund invests in the Investors Real Property Fund, the simplified prospectus discloses the specific risk factors and restrictions associated with investing in the Investors Real Property Fund;

   (e) the investment objective of the Top Fund discloses that the Top Fund invests in securities of the Underlying Funds;

   (f) the Underlying Funds are not mutual funds whose investment objective includes investing directly or indirectly in other mutual funds;

   (g) the Top Fund invests its assets (exclusive of cash and cash equivalents) in the Underlying Funds in accordance with the Fixed Percentages disclosed in the simplified prospectus;

   (h) if the Top Fund invests in the Investors Real Property Fund, the Fixed Percentage in the Investors Real Property Fund does not exceed 10% of the net assets of the Top Fund;

   (i) the Top Fund 's holding of securities in the Underlying Funds does not deviate from the Permitted Ranges;

   (j) any deviation from the Fixed Percentages is caused by market fluctuations only;

   (k) if an investment by the Top Fund in any of the Underlying Funds has deviated from the Permitted Ranges as a result of market fluctuations, the Top Fund's investment portfolio was re-balanced to comply with the Fixed Percentages on the next day on which the net asset value was calculated following the deviation;

   (l) if the Fixed Percentages and the Underlying Funds which are disclosed in the simplified prospectus have been changed, either the simplified prospectus has been amended or a new simplified prospectus filed to reflect the change, and the unitholders of the Top Fund have been given at least 60 days' notice of the change;

   (m) there are compatible dates for the calculation of the net asset value of the Top Fund and the Underlying Funds for the purpose of the issue and redemption of the securities of such mutual funds, excluding the Investors Real Property Fund;

   (n) no sales charges are payable by the Top Fund in relation to its purchases of securities of the Underlying Funds;

   (o) no redemption fees or other charges are charged by an Underlying Fund in respect of the redemption by the Top Fund of securities of the Underlying Fund owned by the Top Fund;

   (p) no fees or charges of any sort are paid by the Top Fund and the Underlying Funds, by their respective managers or principal distributors, or by any affiliate or associate of any of the foregoing entities, to anyone in respect of the Top Fund's

purchase, holding or redemption of the securities of the Underlying Funds;

(q) the arrangements between or in respect of the Top Fund and the Underlying Funds are such as to avoid the duplication of management fees;

(r) any notice provided to securityholders of an Underlying Fund as required by applicable laws or the constating documents of that Underlying Fund, has been delivered by the Top Fund to its securityholders along with all voting rights attached to the securities of the Underlying Fund which are directly owned by the Top Fund;

(s) all of the disclosure and notice material prepared in connection with a meeting of securityholders of an Underlying Fund and received by the Top Fund has been provided to its securityholders, the securityholders have been permitted to direct a representative of the Top Fund to vote its holdings in the Underlying Fund in accordance with their direction, and the representative of the Top Fund has not voted its holdings in the Underlying Fund except to the extent the securityholders of the Top Fund have directed;

(t) in addition to receiving the annual and, upon request, the semi-annual financial statements, of the Top Fund, securityholders of the Top Fund have received appropriate summary disclosure in respect of the Top Fund's holdings of securities of the Underlying Funds in the financial statements of the Top Fund; and

(u) to the extent that the Top Fund and the Underlying Funds do not use a combined simplified prospectus and annual information form containing disclosure about the Top Fund and the Underlying Funds, copies of the simplified prospectus and annual information form of the Underlying Funds have been provided upon request to securityholders of the Top Fund and this right is disclosed in the simplified prospectus of the Top Fund.

January 18, 2001.

"J.A. Geller" "Stephen N. Adams"

2.1.14 ING Investment Management Inc. et al. - MRRS Decision

Headnote

Relief to permit RSP clone fund structure.

Statutes Cited

Securities Act, R.S.O. 1990, c. S5, as amended, ss. 111, 117, 118.

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

AND

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

AND

IN THE MATTER OF

**ING INVESTMENT MANAGEMENT, INC.
ING US EQUITY RSP FUND
ING EUROPE EQUITY RSP FUND
ING AUSTRAL-ASIA EQUITY RSP FUND
ING JAPAN EQUITY RSP FUND**

MRRS DECISION DOCUMENT

WHEREAS the Canadian securities regulatory authority or regulator (the "Decision Maker") in each of the provinces of British Columbia, Alberta, Saskatchewan, Ontario, Nova Scotia and Newfoundland (the "Jurisdictions") has received an application (the "Application") from ING Investment Management Inc. ("ING") as manager of ING US Equity RSP Fund, ING Europe Equity RSP Fund, ING Austral-Asia Equity RSP Fund and ING Japan Equity RSP Fund, and RSP Funds it may establish in the future (the "RSP Funds") for a decision pursuant to the securities legislation of the Jurisdictions (the "Legislation") that the following provisions of the Legislation (the "Applicable Requirements") shall not apply to the RSP Funds, Future RSP Funds, or ING, as the case may be, in respect of certain investments to be made in the ING US Equity Fund, ING Europe Equity Fund, ING Austral-Asia Equity Fund, ING Japan Equity Fund, or future Underlying Funds (the "Underlying Funds")(the RSP Funds and the Underlying Funds collectively, the "Funds"):

1. The provisions prohibiting a mutual fund from knowingly making and holding an investment in a person or company in which the mutual fund, alone or together with one or more related mutual funds, is a substantial securityholder.

2. The provisions requiring the management company of a mutual fund to file a report relating to the purchase or sale of securities between the mutual fund and any related person or company, or any transaction in which,

by arrangement other than an arrangement relating to insider trading in portfolio securities, the mutual fund is a joint participant with one or more of its related persons or companies.

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 it has been represented by ING to the Decision Makers that:

1. The RSP Funds will be open-end mutual fund trusts established under the laws of the Province of Ontario. Securities of the RSP Funds will be qualified for sale to the public in each of the Jurisdictions pursuant to a simplified prospectus and annual information form.
2. ING is a corporation established under the laws of Ontario. ING will be the manager, trustee and promoter of each of the RSP Funds and is the manager, trustee and promoter of each of the Underlying Funds.
3. ING may in the future establish new mutual funds ("Future RSP Funds") which utilize a similar investment strategy to the RSP Funds to seek to take the returns of another mutual fund managed by ING ("Future Underlying Funds").
4. The Funds will be reporting issuers in each of the Jurisdictions and they are not in default of any requirements of the securities act or rules applicable in each of the provinces and territories of Canada.
5. The investment objective of each RSP Fund is to achieve long-term asset appreciation by linking its returns to the returns of its corresponding Underlying Fund while remaining 100% eligible for registered retirement savings plans, registered retirement income funds and deferred profit sharing plans (the "Registered Plans") under the Income Tax Act (Canada) (the "Tax Act").
6. The investment objectives of the Underlying Funds will be achieved through investment primarily in foreign securities. The Prospectus of the RSP Funds contains full disclosure of the investment objectives and strategies of the Underlying Funds.
7. To achieve their investment objective, the RSP Funds invest their assets in securities such that their units will, in the opinion of tax counsel to the RSP Funds, be "qualified investments" for registered retirement savings plans, registered retirement income funds, and deferred profit sharing plans (collectively, "Registered Plans") and will not constitute foreign property in Registered Plans. This will primarily be achieved through the implementation of derivatives strategies. However, the RSP Funds will also invest a portion of their assets directly in securities of the corresponding Underlying Funds (the "Permitted Fund Investments"). This investment by the RSP Funds will at all times be below the maximum foreign property limit prescribed for Registered Plans (the "Permitted Limit").
8. The direct investments by the RSP Funds in the corresponding Underlying Funds will be within the Permitted Limit. The amount of direct investment by the RSP Funds in the corresponding Underlying Funds will be adjusted from time to time so that, except for transitional cash, the aggregate of the derivative exposure to, and direct investment in, the Underlying Funds will equal 100% of the assets of the particular RSP Fund.
9. Except for specific exemptions or approvals granted, the investments by the Top Funds in the Underlying Funds will comply with the investment restrictions of the Legislation and National Instrument 81-102 ("NI 81-102").
10. In the absence of this Decision, each of the RSP Funds is prohibited from:

    (a) knowingly making an investment in a person or company in which the mutual fund, alone or together with one or more related mutual funds, is a substantial securityholder; and

    (b) knowingly holding an investment referred to in subsection (a) hereof.

11. In the absence of this Decision, the Legislation requires ING to file a report on every purchase or sale of securities of the Underlying Funds by the RSP Funds.
12. ING is of the view that the requested relief is in the best interests of the RSP Funds and the Underlying Funds. The investment in or redemption of securities of the corresponding Underlying Funds by the Top Funds represents or will represent business judgment of responsible persons, uninfluenced by considerations other than the best interests of the Funds.
13. The Underlying Funds are, or will be, open-ended mutual fund trusts governed by the laws of the Province of Ontario and offered for sale in all provinces and territories.
14. The Underlying Funds are, or will be, reporting issuers in all provinces and territories.
15. The securities of each of the Underlying Funds will be qualified for distribution in all the Jurisdictions pursuant to a simplified prospectus and annual information form to be filed and receipted in each or the jurisdictions and the Underlying Funds are not in default of any requirements of the Legislation of the Jurisdictions.

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 are 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 Applicable Requirements shall not apply

to the RSP Funds or ING, as the case may be, in respect of the investments to be made in securities of the Underlying Funds.

PROVIDED THAT IN RESPECT OF the investment by the RSP Funds in securities of the Underlying Funds, the Funds comply with the following conditions:

1. This Decision, as it relates to the jurisdiction of a Decision Maker, will terminate one year after the publication in final form of any legislation or rule of that Decision Maker dealing with matters in section 2.5 of National Instrument 81-102.

2. The foregoing Decision shall only apply in respect of investments in, or transactions with, the Underlying Funds that are made by the RSP Funds in compliance with the following conditions:

   (a) each RSP Fund and its corresponding Underlying Fund are under common management, and the securities of each RSP Fund and corresponding Underlying Fund are offered and will continue to be offered for sale in the Jurisdiction of the Decision Maker pursuant to a simplified prospectus and annual information form that has been filed with and accepted by the Decision Maker;

   (b) each RSP Fund restricts its aggregate direct investment in each corresponding Underlying Fund to a percentage of its assets that is within the Permitted Limit;

   (c) the investment by each RSP Fund in its corresponding Underlying Fund is compatible with the fundamental investment objectives of the RSP Fund;

   (d) each RSP Fund will not invest in an Underlying Fund whose investment objective includes investing directly or indirectly in other mutual funds;

   (e) each RSP Fund may change the Permitted Fund Investments if its fundamental investment objective is changed in accordance with NI 81-102;

   (f) the simplified prospectus of each RSP Fund will describe the intent of the RSP Fund to invest in the corresponding Underlying Fund;

   (g) no sales charges are payable by an RSP Fund in relation to its purchases of securities of the corresponding Underlying Fund;

   (h) each RSP Fund and its corresponding Underlying Fund have compatible dates for the calculation of the net asset value of such Funds for the purpose of the issue and redemption of the securities of the RSP Fund and the corresponding Underlying Fund;

   (i) no redemption fees or other charges are charged by an Underlying Fund in respect of the redemption by its corresponding RSP Fund of securities of the Underlying Fund owned by the RSP Fund;

   (j) the arrangements between or in respect of each RSP Fund and its corresponding Underlying Fund preclude duplication of management fees;

   (k) no fees and charges of any sort are paid by an RSP Fund, its corresponding Underlying Funds, the manager or principal distributor of the RSP Fund or the Underlying Fund, or by any affiliate or associate of any of the foregoing entities, to anyone in respect of the RSP Fund's purchase, holding or redemption of the securities of its corresponding Underlying Fund;

   (l) in the event of the provision of any notice to securityholders of an Underlying Fund, as required by the constating documents of the Underlying Fund or by applicable laws, such notice will also be delivered to the securityholders of the corresponding RSP Fund; all voting rights attached to the securities of the Underlying Fund which are owned by the corresponding RSP Fund will be passed through to the securityholders of the RSP Fund;

   (m) in the event that a meeting of the securityholders of an Underlying Fund is called, all of the disclosure and notice material prepared in connection with such meeting and received by the corresponding RSP Fund will be provided to the securityholders of such RSP Fund; each such securityholder will be entitled to direct a representative of the Top Fund to cast the votes respecting such RSP Fund securityholder's proportional holding in the Underlying Fund in accordance with such securityholder's direction; and the representative of the RSP Fund will not be permitted to vote the RSP Fund's holdings in the Underlying Fund except to the extent the securityholders of the RSP Funds so direct;

   (n) in addition to receiving the annual and (upon request) the semi-annual financial statements of the RSP Fund, securityholders of each RSP Fund will receive the annual and (upon request) the semi-annual financial statements of the corresponding Underlying Fund either in

a combined report containing the financial statement of both the RSP Fund and the corresponding Underlying Fund, or in a separate report containing the Underlying Fund's financial statements; and

(o) to the extent that an RSP Fund and its corresponding Underlying Fund do not use a combined simplified prospectus, annual information form and financial statements containing disclosure about the RSP Fund and the Underlying Fund, copies of the simplified prospectus, annual information form and financial statements relating to the corresponding Underlying Fund may be obtained upon request by a securityholder of the RSP Fund.

November 4, 2000.

"Stephen N. Adams" "Theresa McLeod"

2.1.15 Cartier Funds - MRRS Decision

Headnote

Extension of Lapse Date.

Statutes Cited

Securities Act, R.S.O., 1990, c. S5, as amended, ss. 62(5).

IN THE MATTER OF
THE SECURITIES LEGISLATION OF
QUEBEC, BRITISH COLUMBIA, ALBERTA, SASKATCHEWAN, MANITOBA, ONTARIO, 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
CARTIER MONEY MARKET FUND, CARTIER BOND FUND, CARTIER CDN. ASSET ALLOCATION FUND, CARTIER CDN. EQUITY FUND, CARTIER SMALL CAP CDN. EQUITY FUND, CARTIER U.S. EQUITY FUND, AND CARTIER GLOBAL EQUITY FUND

MRRS DECISION DOCUMENT

WHEREAS the Canadian securities regulatory authority or regulator (the "Decision Maker") in each of the Provinces of Quebec, British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, New Brunswick, Nova Scotia, Prince Edward Island, and Newfoundland (the "Jurisdictions") has received an application (the "Application") from Cartier Mutual Fund Inc. (the "Manager"), Cartier Money Market Fund, Cartier Bond Fund, Cartier Cdn. Asset Allocation Fund, Cartier Cdn. Equity Fund, Cartier Small Cap Cdn. Equity Fund, Cartier U.S. Equity Fund, and Cartier Global Equity Fund (together, the "Funds") for a decision pursuant to the securities legislation of the Jurisdictions (the "Legislation") that the lapse date for the renewal of the simplified prospectus and annual information form of the securities of the Funds (the "Prospectus") be extended to those time limits that would be applicable if the lapse date of the Prospectus was February 14, 2001;

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 this application;

AND WHEREAS it has been represented by the Manager to the Decision Makers that:

(a) The Manager is a corporation incorporated under the laws of Canada. The Manager is the trustee and manager of the Funds.

(b) The Funds are open-ended mutual fund trusts established by the Manager under the laws of Quebec.

(c) The Funds are reporting issuers under the Legislation and are not in default of any requirements of the Legislation or the regulations made thereunder.

(d) Pursuant to the Legislation or the regulations made thereunder, the earliest lapse date (the "Lapse Date") for distribution of securities of the Funds is January 24, 2001.

(e) Since January 24, 2000, the date of the Prospectus, no material change has occurred and no amendments have been made to the Prospectus. Accordingly, the Prospectus represents up to date information regarding each of the Funds offered therein. The extension requested will not affect the currency or accuracy of the information contained in the Prospectus of the Funds and accordingly will not be prejudicial to the public interest.

(f) In order to permit the Manager and the translators sufficient time to prepare the French language translation of the Prospectus of the Funds, the Manager has requested an extension of the Lapse Date to February 14, 2001.

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 are 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 time limits provided by Legislation as they apply to a distribution of securities under a prospectus are hereby extended to the time limits that would be applicable if the Lapse Date for the distribution of securities under the Prospectus of the Funds was February 14, 2001 and that the offering of securities of the Funds may continue provided a pro forma simplified prospectus and annual information form are filed 30 days prior to February 14, 2001, a final simplified prospectus and annual information form are filed no later than 10 days after February 14, 2001 and receipts for the simplified prospectus and annual information form are obtained no later than 20 days after February 14, 2001.

DATED in Montreal, January 18 , 2001.

Josée Deslauriers
Le Chef de service du financement des sociétés

2.1.16 Northwest RSP International Fund et al. - MRRS Decision

Headnote

Extension of Lapse Date for Mutual Funds' prospectus filing.

Statutes Cited

Securities Act, R.S.O. 1990, c. S5, as amended, ss. 62(5).

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

AND

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

AND

IN THE MATTER OF

**NORTHWEST RSP INTERNATIONAL FUND
MARATHON RESOURCE FUND
MARATHON PLUS AGGRESSIVE GROWTH FUND**

MRRS DECISION DOCUMENT

WHEREAS the local securities regulatory authority or regulator(the "Decision Maker") in each of the provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec , Nova Scotia, New Brunswick, Prince Edward Island, and Newfoundland, and Northwest Territories, Yukon Territory and Nunavut (the "Jurisdictions") has received an application from Northwest Mutual Funds Inc. ("Northwest"), FM&DK Management Limited ("FMDK") and Marathon Mutual Funds, Inc. ("MMFI") (together the "Applicants") for a decision pursuant to the securities legislation of the Jurisdictions (the "Legislation") that the times prescribed by the Legislation for the refiling of the simplified prospectuses and annual information forms of Northwest RSP International Fund (the "International Fund"), Marathon Resource Fund (the "Resource Fund") and Marathon Plus Aggressive Growth Fund (the "Growth Fund") (the International Fund, the Resource Fund, and the Growth Fund collectively, the "Funds") be extended;

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 Filers have represented to the Decision Makers that:

1. Each of the Funds is a mutual fund existing under the laws of the Province of Ontario. The Funds are reporting issuers under the Legislation and are not in default of any filing requirements of the Legislation or the Regulations made thereunder.

2. Units of:

   (a) International Fund are currently offered for sale on a continuous basis in each of the provinces and territories of Canada pursuant to a simplified prospectus and annual information form dated December 23, 1999, receipted in Ontario on December 24, 1999;

   (b) Resource Fund are currently offered for sale on a continuous basis in British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, Nova Scotia, New Brunswick and Newfoundland pursuant to a simplified prospectus and annual information form dated February 2, 2000, receipted in Ontario February 7, 2000;

   (c) Growth Fund are currently offered for sale on a continuous basis in each of the provinces of Canada pursuant to a simplified prospectus and annual information form dated December 14, 1999, receipted in Ontario December 14, 1999;

   and accordingly, the earliest lapse date for the International Fund is December 23, 2000, the earliest lapse date for the Resource Fund is February 2, 2000 and the earliest lapse date for the Growth Fund is December 14, 2000.

3. Northwest is currently the manager of the International Fund. FM&DK is currently the manager of the Resource Fund. MMFI is the manager of the Growth Fund, and pursuant to a proposed reorganization, MMFI will become the manager of all three of the Funds.

4. The indirect controlling shareholder of all the Applicants intends to undertake reorganizations (the "Reorganization") intended to achieve greater efficiencies among the Northwest family of mutual funds and the Marathon family of mutual funds.

5. In order to achieve a common lapse date for all funds in the Northwest and Marathon families of funds pursuant to the Reorganization, the Applicants will renew the offering documents for funds managed by MMFI and Northwest (including the Funds) on the basis of a March 31, 2001 lapse date, such that no later than February 28, 2001 pro forma simplified prospectuses and annual information forms would be filed for all funds managed by MMFI and Northwest.

6. Pursuant to the Legislation, the lapse date for the simplified prospectuses of the Northwest and Marathon funds (other than the Funds) discussed in paragraph 5 are as follows:

   (i) Northwest Specialty High Yield Bond Fund, Northwest Growth Fund, Northwest Money Market Fund, Northwest Dividend Fund, Northwest Balanced Fund, and Northwest International Fund, June 20, 2001;

   (ii) Marathon Equity Fund, August 17, 2001; and

   (iii) Northwest Specialty Innovations Fund, November 22, 2001.

7. An extension of the lapse date for the Funds to March 31, 2001 will allow the Applicants to proceed with filing in accordance with paragraph 5.

8. Since the date of the Prospectus no material change has occurred and no amendments to the simplified prospectus have been made.

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 times provided by the Legislation for the refiling of the simplified prospectuses and annual information forms of the Funds, and the receipting thereof, in connection with the distribution of Units of the Funds are hereby extended to March 31, 2001.

December 14, 2000

Paul A. Dempsey
Assistant Manager/Senior Legal Counsel, Investment Funds

2.1.17 Algonquin Power Income Fund - MRRS Decision

Headnote

MRRS - open-end investment trust is exempt from prospectus and registration requirements in respect of the issuance of units pursuant to a reinvestment plan whereby distributions of income and/or capital gains are reinvested in additional units of the trust - first trade relief is subject to certain conditions

Applicable Ontario Statutory Provisions

Securities Act, R.S.O. 1990, c.S.5, as am., ss. 25, 53, 72(5) and 74(1).

Applicable Ontario Rules

Rule 45-502 - Dividend or Interest Reinvestment and Stock Dividend Plans (1998), 21 OSCB 3685.

Rule 81-501 - Mutual Funds Reinvestment Plans (1997), 20 OSCB 5135

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

AND

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

AND

IN THE MATTER OF
ALGONQUIN POWER INCOME FUND

MRRS DECISION DOCUMENT

WHEREAS the Canadian securities regulatory authorities or regulators (the "Decision Makers") in Ontario, Manitoba, Quebec, New Brunswick, Prince Edward Island, Nova Scotia and Newfoundland (the "Jurisdictions") have received an application on behalf of Algonquin Power Income Fund (the "Fund") for a decision pursuant to the securities legislation of the Jurisdictions (the "Legislation") that the requirement in the Legislation to register to trade in a security (the "Registration Requirement") and to file and obtain a receipt for preliminary prospectus and a prospectus (the "Prospectus Requirements") shall not apply to the issuance by the Fund of additional trust units ("Additional Units") pursuant to a unitholder distribution reinvestment plan (the "Plan") and shall not apply to first trades of Additional Units, subject to conditions;

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 Fund has represented to the Decision Makers that:

1. The Fund is an unincorporated open-ended trust, created by a declaration of trust (the "Declaration of Trust") dated September 8, 1997, as amended, in accordance with the laws of the Province of Ontario. An unlimited number of trust units may be issued pursuant to the Declaration of Trust. Each trust unit is transferable and represents an equal undivided beneficial interest in any distribution from the Fund, whether of net income, net realized capital gains or other amounts, and in any net assets of the Fund in the event of the termination or winding-up of the Fund.

2. The Declaration of Trust provides that, notwithstanding any other provision thereof, the only undertaking of the Fund is (a) the investing of its funds in property (other than real property or an interest in real property), (b) the acquiring, holding, maintaining, improving, leasing or managing of any real property (or an interest in real property) that is capital property of the Fund, or (c) any combination of the activities in (a) and (b).

3. The Fund has acquired a direct or indirect equity interest in 38 hydroelectric generating facilities located in Canada and the United States, and is, through those interests, engaged indirectly in the business of generating and marketing electrical energy within the independent power generation industry. The Fund is managed by Algonquin Management Inc.

4. The Fund's trust units are listed on The Toronto Stock Exchange (the "TSE"). The Fund is current in all its filings as required by the TSE.

5. The Fund is a reporting issuer or the equivalent in every province in Canada and not in default of any requirements under the Legislation. The Fund has been a reporting issuer or the equivalent in every province for more than 12 months.

6. The purpose of the Plan is to provide a simple and convenient method for Unitholders participating in the Plan (the "Participants") to invest, in Additional Units, any and all cash distributions received in respect of their trust units. The Plan enables the Fund to issue additional equity capital to Participants.

7. Unitholders who are Canadian residents may enrol in the Plan at any time. Unitholders who are resident outside of Canada will be entitled to participate in the Plan only if permitted without registration or qualification of the trust units under applicable law of the jurisdiction in which those Unitholders reside. Unitholders who are resident in the United States or who are United States persons (as defined in Regulation S under the *Securities Act of 1933* (United States)) will not be entitled to participate in the Plan.

8. The Plan will be administered by CIBC Mellon Trust Company (the "Agent"), which will act as agent for the Participants.

9. The Plan provides that the Fund shall pay over to the Agent, on behalf of Participants, all cash distributions paid on their trust units, net of applicable withholding taxes. The Agent shall then use such funds to purchase Additional Units for the Participants directly from the Fund, as outlined in paragraphs 10 to 15 below.

10. On the cash distribution dates in each calendar year, currently the 15th of February, May, August and November, the Agent will pay to the Fund, for investment in Additional Units, all distribution funds held by the Agent as of such date on behalf of Participants.

11. The price of Additional Units purchased under the Plan will be the weighted average of the trading price for trust units of the Fund on the TSE for the twenty (20) trading days immediately preceding the relevant distribution date.

12. No commissions, service charges or brokerage fees will be payable by Participants in connection with the purchase by the Agent of Additional Units. All administrative costs of the Plan will be borne by the Fund.

13. Additional Units purchased under the Plan will be registered in the name of the Agent, to be held by the Agent or its nominee for Participants in the Pla. Certificates for such Additional Units will not be issued to Participants unless specifically requested.

14. The Agent will maintain accounts for Participants in the names in which trust units were registered at the time the Participants entered the Plan. Statements will be mailed to each Participant quarterly, as the Particpants' continuing record of purchases made and Additional Units issued under the Plan.

15. When participation in the Plan is terminated, the Participant will receive a certificate for the whole Additional Units held for such Participant's account and a cash payment for any fractional Additional Units.

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 are 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 trades of Additional Units by the Fund to Participants pursuant to the Plan shall not be subject to the Registration Requirement and the Prospectus Requirements in the Legislation provided that:

(a) at the time of the distribution the Fund is a reporting issuer or the equivalent under the Legislation and, to the best of its belief is not in default under the Legislation;

(b) no sales charge is payable in respect of the distributions;

(c) the Fund has caused to be sent to the person or company to whom the Additional Units is traded, not more than 12 months before the trade, a statement describing:

  (i) his or her right to withdraw from the plan and to make an election to receive cash instead of Units on the making of a distribution of income, capital gains or other amounts by the Fund; and

  (ii) instructions on how to exercise the right referred to in (i);

(d) the first trade in Additional Units acquired pursuant to this decision in a Jurisdiction shall be deemed a distribution or a primary distribution to the public under the Legislation of such Jurisdiction (the "Applicable Legislation") unless:

  (i) at the time of the first trade, the Fund is and has been a reporting issuer or the equivalent under the Applicable Legislation for the 12 months immediately preceding the trade;

  (ii) no unusual effort is made to prepare the market or to create a demand for the Units;

  (iii) no extraordinary commission or consideration is paid to a person or company in respect of the trade;

  (iv) if the seller of the Additional Units is an insider of the Fund, the seller has no reasonable grounds to believe that the Fund is in default of any requirement of the Applicable Legislation; and

  (v) except in Quebec, the first trade is not from the holdings of a person or company or a combination of persons or companies holding a sufficient number of trust units (including Additional Units) of the Fund so as to affect materially the control of the Fund or more than 20% of the outstanding voting securities of the Fund, except where there is evidence showing that the holding of those securities does not affect materially the control of the Fund.

January 23, 2001.

"Howard I. Wetston" "R. Stephen Paddon"

2.1.18 Trican Well Service Ltd. - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications - Waiver of the eligibility requirements under National Policy No. 47 to permit the applicant to utilize the prompt offering qualifications system.

Applicable National Provisions

National Policy Statement No. 47, ss. 4.1(2).

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

AND

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

AND

IN THE MATTER OF
TRICAN WELL SERVICE LTD.

MRRS DECISION DOCUMENT

WHEREAS the local securities regulatory authority or regulator (the "Decision Maker") in each of the Provinces of British Columbia, Alberta, Saskatchewan, Manitoba, and Ontario (collectively, the "Jurisdictions") has received an application (the "Application") from Trican Well Service Ltd. ("Trican") for a waiver pursuant to Section 4.5 of National Policy 47 ("NP 47") from the provisions of section 4.1(2)(b)(i) of NP 47 to permit Trican 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 Alberta Securities Commission is the principal regulator for this application;

AND WHEREAS Trican has represented to the Decision Makers that:

1. Trican is a corporation incorporated under the Business Corporations Act (Alberta) (the "ABCA").

2. Trican has its registered office at 1400, 350 - 7th Avenue SW Calgary, Alberta, T2P 3N9, and its corporate head office at Suite 2700, 645 - 7th Avenue SW Calgary, Alberta T2P 4G8.

3. Trican has been a reporting issuer or equivalent in each of the Jurisdictions for more than 12 months and is not in default under any requirements of the applicable securities legislation in the Jurisdictions.

4. Trican's Common Shares are currently listed and posted for trading on The Toronto Stock Exchange (the "TSE") under the symbol "TCW".

5. Trican's financial year end is December 31.

6. As at December 31, 1999, the date of Trican's most recent financial year end, 15,821,233 Common Shares were issued and outstanding, of which 4,090,100 were beneficially owned, directly or indirectly, or over which control or direction was exercised by Persons (as defined in NP 47) that alone or together with their respective affiliates or Associates (as defined in NP 47) beneficially owned or exercised control or direction over more than 10% of the Common Shares (the "Insider Shares").

7. As at December 31, 1999, the aggregate market value of Trican's Common Shares, excluding the Insider Shares, calculated in accordance with Section 4.1(2)(a) of NP 47 (the "Float") was $74,258,072 (based on a simple average closing trading price for the month of December 1999 of $6.33).

8. Trican would be eligible under NP 47 to participate in the POP System but for the fact that the Float for the month of December 1999 was less than $75,000,000.

9. As at June 30, 2000 15,934,808 Common Shares were issued and outstanding of which 2,504,600 were Insider Shares.

10. As of June 30, 2000 the Float was $173,115,381 (based on a simple average closing trading price for the month of June of $12.89).

11. As of July 31, 2000 the Float was $162,438,366 (based on a simple average closing trading price from July 1 through July 31 of $12.095).

12. NP 47 requires that an issuer must satisfy certain eligibility criteria before filing an initial annual information form ("Initial AIF"). In particular, Section 4.1(1)(c) of NP 47 indicates that the Float be $75,000,000 or more.

13. Trican is presently ineligible to participate in the POP System only because its Float as of December 31, 1999 was $74,258,072. However, as at June 30 and July 31, 2000, the Float was $173,115,381 and $162,438,366, respectively.

14. Trican's Float as at December 31, 1999 (being the last calendar month of its most recently completed financial year end) was only slightly less than $75,000,000.

15. A comprehensive public disclosure record exists for Trican in each of the Jurisdictions.

16. Trican may wish to avail itself of the POP System prior to the end of its current financial year and considers that a short form prospectus would be an appropriate vehicle for an offering of its securities in the circumstances.

17. Proposed National Instrument 44-101 would replace the current calculations of the Float under NP 47 by a calculation as of a date within 60 days before the filing of the issuer's preliminary short form prospectus.

18. Under proposed National Instrument 44-101, Trican would be qualified to file a short form prospectus upon the filing and the acceptance of an Initial AIF.

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 securities legislation of the applicable Jurisdiction that provides the Decision Maker with the jurisdiction to make the Decision has been met;

THE DECISION of the Decision Makers in the Jurisdictions pursuant to section 4.5 of NP 47 is that the Decision Makers waive the provisions of section 4.1(2)(b)(i) of NP 47 in respect of Trican to permit Trican to be eligible to participate in the POP System, provided that:

a) Trican complies in all other respects with the requirements of NP 47;

b) the aggregate market value of the equity securities of Trican, calculated in accordance with section 4.1(2) of NP 47, is $75,000,000 or more on a date within sixty (60) days before the date of filing of Trican's preliminary short form prospectus;

c) the eligibility certificate to be filed in respect of the Trican's Initial AIF shall state that Trican satisfies the eligibility criterias set out in Section 4.1(1)(a) and 4.1(1)(b) of NP 47, and shall make reference to this waiver; and

d) this waiver terminates on the earlier of:

   (i) 140 days after the end of Trican's financial year ended December 31, 2000; and

   (ii) the date of filing of a Renewal AIF (as defined in NP 47) by Trican in respect of its financial year ended December 31, 2000.

DATED at Edmonton, Alberta on October 6, 2000.

Agnes Lau, CA
Deputy Director, Capital Markets

2.1.19 Aviation Group Inc. et al. - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications - Relief from registration and prospectus requirements in respect of trades in connection with a reverse takeover of a U.S. public company by a Canadian public company using an exchangeable share structure where exemptions not available for technical reasons. First trade relief for exchangeable shares and shares of resulting U.S. public company subject to U.S. public company becoming a reporting issuer. U.S. public company deemed to be a reporting issuer in certain jurisdictions.

Statutes Cited

Securities Act, R.S.O. 1990, c.S.5, as am., sections 25, 53, 74(1).

National Policies

National Policy 12-201 - Mutual Reliance Review System for Exemptive Relief Applications

IN THE MATTER OF
THE SECURITIES LEGISLATION OF
ALBERTA, BRITISH COLUMBIA, MANITOBA, NEW BRUNSWICK, NEWFOUNDLAND, NOVA SCOTIA, ONTARIO, PRINCE EDWARD ISLAND, QUÉBEC, SASKATCHEWAN, NORTHWEST TERRITORIES, YUKON TERRITORY AND NUNAVUT

AND

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

AND

IN THE MATTER OF
AVIATION GROUP INC., AVIATION GROUP CANADA LTD. AND TRAVELBYUS.COM LTD.

MRRS DECISION DOCUMENT

WHEREAS the local securities regulatory authority or regulator (the "Decision Makers") in each of Alberta, British Columbia, Manitoba, New Brunswick, Newfoundland, Nova Scotia, Ontario, Prince Edward Island, Québec, Saskatchewan, Northwest Territories, the Yukon Territory and Nunavut (collectively, the "Jurisdictions") has received an application from Aviation Group Inc. ("Aviation"), Aviation Group Canada Ltd. ("Aviation Subco") and Travelbyus.com Ltd. ("Travelbyus") (collectively, the "Filer") for a decision under the securities legislation of the Jurisdictions (the "Legislation") that the requirements contained in the Legislation to be registered to trade in a security and to file a preliminary prospectus and a prospectus and receive receipts therefore prior to distributing a security (the "Registration and Prospectus Requirements") shall not apply to certain trades of securities in connection with the proposed reorganization of

the capital structure of Travelbyus by way of plan of arrangement (the "Plan of Arrangement") and the simultaneous acquisition by Aviation Subco, a wholly-owned subsidiary of Aviation, of certain securities of Travelbyus (the "Transaction");

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

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

1. Aviation was incorporated in the State of Texas on December 4, 1995; Aviation is subject to the reporting requirements of the United States Securities Exchange Act of 1934, as amended; Aviation is not currently a "reporting issuer" or the equivalent in any province or territory of Canada;

2. Aviation's authorized capital consists of 10,000,000 shares of common stock, US$0.01 par value (the "Aviation Common Shares") and 5,000,000 shares of preferred stock, US$0.01 par value; as of December 27, 2000 there were approximately 5,121,722 Aviation Common Shares and 3,803 preferred shares issued and outstanding; as part of the Transaction, Aviation will issue one special voting stock, US$0.01 par value (the "Special Voting Share") to a trustee (the "Trustee") in accordance with the Exchange Agreement (defined below);

3. as part of the Transaction, Aviation held a shareholders' meeting at which its shareholders passed certain resolutions in connection with the Transaction, including the consolidation of Aviation's outstanding Common Shares on a five-for-one basis and the increase of Aviation's authorized capital to 250,000,000 Common Shares and 5,000,000 shares of preferred stock;

4. The Aviation Common Shares trade on the Nasdaq SmallCap Market and Boston Stock Exchange; applications will be made as required by Aviation to the Nasdaq SmallCap Market and Boston Stock Exchange to list the additional Aviation Common Shares issuable from time to time in connection with the Transaction;

5. Aviation Subco is a wholly-owned subsidiary of Aviation which was incorporated under the laws of the Province of Ontario on March 8, 2000; Aviation Subco was incorporated as a vehicle to hold all of the Travelbyus Common Shares which will be outstanding after the closing of the Transaction and to hold the various call rights related to the Exchangeable Shares (defined below); Aviation Subco's only material asset upon completion of the Transaction will be the issued and outstanding Travelbyus Common Shares;

   Travelbyus was incorporated pursuant to the Business Corporations Act (Ontario) on July 21, 1986 under the name "MVP Capital Corp."; on October 23, 1996, Travelbyus filed articles of amendment to change its name of "LatinGold Inc."; on June 4, 1999, Travelbyus filed articles of amendment to change its name to its current name;

6. Travelbyus has been a "reporting issuer" or the equivalent in each of the Provinces of Alberta, British Columbia, Manitoba, Ontario, Quebec and Saskatchewan for at least 12 months and is not in default of any requirement of the Legislation; the Travelbyus Common Shares trade on The Toronto Stock Exchange, the Winnipeg Stock Exchange and the Frankfurt Stock Exchange;

7. the authorized capital of Travelbyus currently consists of an unlimited number of common shares (the "Travelbyus Common Shares"); the outstanding capital of Travelbyus as at December 27, 2000 consists of 104,696,869 Travelbyus Common Shares, warrants to purchase up to 7,506,020 Travelbyus Common Shares (the "Travelbyus Warrants"), options to purchase up to 7,843,300 Travelbyus Common Shares (the "Travelbyus Options") and other rights outstanding to acquire up to 10,244,442 Travelbyus Common Shares; in addition, as at December 27, 2000, Travelbyus has $9,456,000 principal amount of 12.5% senior debentures outstanding with a maturity date of September 9, 2001;

8. the head office of Travelbyus is in British Columbia;

9. pursuant to an arrangement agreement (the "Arrangement Agreement") made as of May 3, 2000 between Aviation, Aviation Subco and Travelbyus, a sequence of transactions occurs that effectively converts all of Travelbyus' existing outstanding securities into Exchangeable Shares which will be exchangeable for Aviation Common Shares;

10. pursuant to the Arrangement Agreement a special meeting (the "Meeting") of the shareholders of Travelbyus (the "Shareholders") was held in accordance with an interim order of the Ontario Superior Court of Justice whereby the Shareholders passed certain resolutions approving the arrangement (the "Arrangement") and authorizing the filing of articles of arrangement (the "Articles of Arrangement");

11. in connection with the Meeting, Travelbyus has mailed to each Shareholder (i) a notice of special meeting, (ii) a form of proxy, (iii) the text of the special resolution approving the Arrangement and (iv) an information circular (the "Circular") containing prospectus level disclosure regarding the Transaction, each Shareholder's dissent rights, the Arrangement, the characteristics of the Exchangeable Shares and the Aviation Common Shares (collectively, the "Shareholder Materials");

12. the Circular was filed and approved by the Securities and Exchange Commission in the United States as the S4 registration statement for Aviation; the Circular has been filed in the Jurisdictions;

13. pursuant to the terms of the Plan of Arrangement, commencing at the effective time of the closing of the Transaction, the following events will occur:

(a) the filing of the Articles of Arrangement will create (i) a new class of voting, convertible preferred shares designated as "preferred shares" (the "Travelbyus Preferred Shares"); and (ii) a new class of shares designated as "exchangeable shares" (the "Exchangeable Shares");

(b) Aviation Subco will subscribe for one Travelbyus Preferred Share;

(c) each outstanding Travelbyus Common Share held by a Shareholder (other than Travelbyus Common Shares held by a Shareholder who exercises its dissent rights and is ultimately entitled to be paid the fair value of its Travelbyus Common Shares) will be automatically converted into Exchangeable Shares on a one-for-one basis;Shareholders will receive cash in lieu of any fractional Exchangeable Shares they would otherwise be entitled to receive;

(d) Aviation Subco will convert its Travelbyus Preferred Share into one Travelbyus Common Share; at such time, Aviation Subco will be the only holder of Travelbyus Common Shares;

(e) each Travelbyus Option will be exchanged for an option to acquire Aviation Common Shares (the "Aviation Options") provided that the number of Aviation Common Shares that may be acquired will be adjusted on a five-for-one basis subject to any further adjustments and the strike price for each Aviation Option will be multiplied by five, subject to any futher adjustments (and after giving effect to currency conversions);

(f) each Travelbyus Warrant will be deemed to be exercisable for Exchangeable Shares without any further action on the part of the holder; and

(g) Aviation will issue and deposit with the Trustee one Special Voting Share (described below) in accordance with the Exchange Agreement (described below);

14. each Exchangeable Share, together with the Exchange Agreement and Support Agreement described below, will provide holders thereof with a security of a Canadian issuer having economic attributes which are substantially equivalent, in all material respects, to those of one-fifth of an Aviation Common Share; Exchangeable Shares will be received by Shareholders on a Canadian tax-deferred, roll-over basis; the Exchangeable Shares will be exchangeable by a holder thereof for Aviation Common Shares on a five-for-one basis (subject to certain adjustments and assuming Aviation effects a five-for-one consolidation of its shares of common stock, as expected) at any time at the option of such holder and will be required to be exchanged upon the occurrence of certain events, as more fully described below; dividends will be payable on the Exchangeable Shares contemporaneously and in one-fifth of the equivalent amount per share as dividends on the Aviation Common Shares; holders of Exchangeable Shares will receive cash in lieu of any fractional Aviation Common Shares they would otherwise be entitled to receive on exchange of Exchangeable Shares; if Aviation does not effect a five-for-one consolidation of its shares, the Exchangeable Shares will be exchangeable for Aviation Common Shares on a one-for-one basis and the ratio for payment of dividends and distribution of assets upon liquidation, dissolution or winding-up of Travelbyus or Aviation, as the case may be, will be adjusted accordingly;

15. the Exchangeable Shares will rank senior to the Travelbyus Common Shares and the Travelbyus Preferred Shares, in respect of the payment of dividends and the distribution of assets in the event of the liquidation, dissolution or winding-up of Travelbyus; the Exchangeable Share Provisions will provide that each Exchangeable Share will entitle the holder to dividends from Travelbyus payable at the same time as, and economically equivalent to, each dividend paid by Aviation on Aviation Common Shares; subject to the overriding call right of Aviation Subco referred to below, on the liquidation, dissolution or winding-up of Travelbyus, a holder of Exchangeable Shares will be entitled to receive from Travelbyus for each Exchangeable Share held an amount equal to one-fifth of the then current market price of an Aviation Common Share, to be satisfied by delivery of one-fifth of one Aviation Common Share (subject to adjustment), together with, on the designated payment date therefor and to the extent not already paid by Travelbyus on a dividend payment date, all declared and unpaid dividends on each such Exchangeable Share (such aggregate amount, the "Liquidation Amount"); upon a proposed liquidation, dissolution or winding-up of Travelbyus, Aviation Subco will have an overriding call right (the "Liquidation Call Right") to purchase all of the outstanding Exchangeable Shares from the holders thereof (other than Aviation or its affiliates) for a price per share equal to the Liquidation Amount;

16. the Exchangeable Shares will be non-voting (except as required by the Exchangeable Share Provisions or by applicable law) and will be retractable at the option of the holder at any time; subject to the overriding call right of Aviation Subco referred to below, upon retraction the holder will be entitled to receive from Travelbyus for each Exchangeable Share retracted an amount equal to one-fifth of the then current market price of an Aviation Common Share, to be satisfied by delivery of one-fifth of one Aviation Common Share (subject to adjustment), together with, on the designated payment date therefor and to the extent not already paid by Travelbyus on a dividend payment date, all declared and unpaid dividends on each such retracted Exchangeable Share (such aggregate amount, the "Retraction Price"); upon being notified by Travelbyus of a proposed retraction of Exchangeable Shares, Aviation Subco will have an overriding call right (the "Retraction Call Right") to purchase from the holder all of the Exchangeable Shares that are the subject of the retraction notice for a price per share equal to the Retraction Price;

17. subject to the overriding call right of Aviation Subco referred to below in this paragraph, Travelbyus shall redeem all the Exchangeable Shares then outstanding on January 1, 2003 (the "Automatic Redemption Date"); the board of directors of Travelbyus may accelerate the Automatic Redemption Date in certain circumstances, as described in the Exchangeable Share Provisions; upon such redemption, a holder will be entitled to receive from Travelbyus for each Exchangeable Share redeemed, an amount equal to one-fifth of the then current market price of an Aviation Common Share on the last business day prior to the Automatic Redemption Date, to be satisfied by the delivery of one-fifth of one Aviation Common Share (subject to adjustment), together with, to the extent not already paid by Travelbyus on a dividend payment date, all declared and unpaid dividends on each such redeemed Exchangeable Share (such aggregate amount, the ARedemption Price"); upon being notified by Travelbyus, of a proposed redemption of Exchangeable Shares, Aviation Subco will have an overriding call right (the "Redemption Call Right") to purchase from the holders all of the outstanding Exchangeable Shares (other than Aviation or its affiliates) for a price per share equal to the Redemption Price;

18. upon the liquidation, dissolution or winding-up of Aviation, the Exchangeable Shares will be automatically exchanged for Aviation Common Shares pursuant to the Exchange Agreement (described below), in order that holders of Exchangeable Shares may participate in the dissolution of Aviation on the same basis as holders of Aviation Common Shares; upon the insolvency of Travelbyus, holders of Exchangeable Shares may put their shares to Aviation in exchange for Aviation Common Shares, pursuant to the Exchange Right described in greater detail below;

19. the Special Voting Share will be authorized for issuance pursuant to the Arrangement Agreement and will be issued under the Exchange Agreement to the Trustee for the benefit of the holders of the Exchangeable Shares outstanding from time to time (other than Aviation and its affiliates); the Special Voting Share will carry a number of voting rights, exercisable at any meeting of the holders of Aviation Common Shares, equal to one-fifth of the number of Exchangeable Shares outstanding from time to time (that are not owned by Aviation and its affiliates); the holders of the Aviation Common Shares and the holder of the Aviation Special Voting Share will vote together as a single class on all matters; holders of Exchangeable Shares will exercise the voting rights attached to the Aviation Special Voting Share through the mechanism of the Exchange Agreement; each voting right attached to the Special Voting Share must be voted by the Trustee pursuant to the instructions of the holder of the related Exchangeable Share; in the absence of any such instructions from a holder, the Trustee will not be entitled to exercise any voting rights;

20. upon the exchange of all of a holder's Exchangeable Shares for Aviation Common Shares, all rights of the holder of Exchangeable Shares to exercise votes attached to the Special Voting Share will cease;

21. in order to assist non-residents of Canada in exchanging their Exchangeable Shares without having to deliver a certificate under section 116 of the Income Tax Act (Canada), the Exchangeable Shares will be listed on The Toronto Stock Exchange until December 31, 2001;

22. contemporaneously with the closing of the Transaction, Aviation, Aviation Subco, Travelbyus and the Trustee will enter into an exchange agreement (the "Exchange Agreement"); under the Exchange Agreement, Aviation will grant to the Trustee, as trustee for and on behalf of the holders of the Exchangeable Shares, a put right (the "Exchange Right"), exercisable upon the insolvency of Travelbyus, to require Aviation to purchase from a holder of Exchangeable Shares all or any part of its Exchangeable Shares; the purchase price for each Exchangeable Share purchased by Aviation will be an amount equal to one-fifth of the then current market price of an Aviation Common Share, to be satisfied by the delivery to the holder, of one-fifth of one Aviation Common Share (subject to adjustment), together with an additional amount equivalent to the full amount of all declared and unpaid dividends on such Exchangeable Share;

23. under the Exchange Agreement, upon the liquidation, dissolution or winding-up of Aviation, Aviation will be required to purchase each outstanding Exchangeable Share, and each holder will be required to sell all of its Exchangeable Shares (such purchase and sale obligations are hereafter referred to as the "Automatic Exchange Right"), for a purchase price per share equal to one-fifth of the then current market price of an Aviation Common Share, to be satisfied by the delivery to the holder of one-fifth of one Aviation Common Share (subject to adjustment), together with an additional amount equivalent to the full amount of all declared and unpaid dividends on each such Exchangeable Share;

24. contemporaneously with the closing of the Transaction, Aviation, Aviation Subco and Travelbyus will enter into a Support Agreement which will provide that Aviation will not declare or pay any dividend on the Aviation Common Shares unless Travelbyus simultaneously declares and pays an economically equivalent dividend on the Exchangeable Shares and that Aviation will ensure that Travelbyus and Aviation Subco will be able to honour the redemption and retraction rights and dissolution entitlements that are attributes of the Exchangeable Shares under the Exchangeable Share Provisions and the related redemption, retraction and liquidation call rights described above;

25. the Support Agreement will also provide that if Aviation makes any changes to the Aviation Common Shares (e.g., subdivision, consolidation or reclassification), then the Exchangeable Shares are automatically adjusted such that the holders of such Exchangeable Shares will receive, upon exercise of their Exchangeable Shares, the same number of Aviation Common Shares and other consideration that they would have received had they exchanged their Exchangeable Shares immediately prior to the effective date or record date of such event;

26. the steps under the Transaction and the attributes of the Exchangeable Shares contained in the Exchangeable Share Provisions, the Support Agreement and the Exchange Agreement involve or may involve a number of trades of securities (the "Trades") and there may be no registration and prospectus exemptions available under the Legislation for certain of the Trades;

27. the fundamental investment decision to be made by a Travelbyus shareholder is made at the time of the Transaction, when such holder votes in favour of the special resolution approving the Arrangement; as a result of this decision, a holder receives Exchangeable Shares in exchange for the holder's Travelbyus Common Shares; as the Exchangeable Shares will provide certain Canadian tax benefits to certain Canadian holders but will otherwise be the economic equivalent in all material respects to the Aviation Common Shares, all subsequent exchanges of Exchangeable Shares are in furtherance of the holder's initial investment decision to acquire Exchangeable Shares on the closing of the Transaction;

28. if not for income tax considerations, Canadian holders of Travelbyus Common Shares could have received Aviation Common Shares without receiving Exchangeable Shares; the receipt of Exchangeable Shares under the Transaction will enable certain holders of Travelbyus Common Shares to defer Canadian income tax;

29. on the effective date of the Arrangement, if all of the holders of Exchangeable Shares or rights to acquire Exchangeable Shares were to exchange the Exchangeable Shares for Aviation Common Shares and assuming that Aviation effects the proposed five-for-one consolidation of its Common Shares:

    (a) as many as 14,118,069 Aviation Common Shares representing as much as 64% of the outstanding Aviation Common Shares would be held by Canadian residents; and

    (b) former Travelbyus shareholders would hold 20,939,374 Aviation Common Shares representing 95% of total issued and outstanding Aviation Common Shares;

30. the Transaction is effectively a reverse takeover under which a Canadian public company is acquiring a smaller U.S. public company; upon completion of the Transaction, Aviation will focus on developing and expanding the Travelbyus business of which more than 95% will be conducted in the United States;

31. there will be approximately one million Aviation Common Shares trading on the Nasdaq SmallCap Market following completion of this Transaction (assuming that Aviation completes its proposed five-for-one consolidation of its Common Shares and assuming that no Exchangeable Shares have been exchanged for Aviation Common Shares);

32. there will be at least 104,696,869 Exchangeable Shares listed for trading on The Toronto Stock Exchange following completion of this Transaction (assuming that no Exchangeable Shares are exchanged for Aviation Common Shares and assuming that no holders of options or warrants to acquire Travelbyus Common Shares have exercised their rights);

33. the majority of operations of Travelbyus (and Aviation following completion of the Transaction), take place in a leased facility in Reno, Nevada comprising approximately 37,000 square feet; Travelbyus also has leased offices in California, Oregon, Florida and British Columbia;

34. following completion of the Arrangement, three of the eight members of the board of directors of Aviation and three of the ten senior officers of Aviation will be resident in Canada; at least one director and one senior officer who are currently resident in Canada intend to or are in the process of moving to the United States;

35. in respect of those Jurisdictions in which an issuer cannot be deemed to be a reporting issuer under the Legislation, Travelbyus and Aviation will, from and after the completion of the Arrangement, make the same continuous disclosure filings as are required by reporting issuers or issuers having a status equivalent to that of a reporting issuer;

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 under the Legislation is:

1. the Registration and Prospectus Requirements shall not apply to the Trades;

2. the first trade in Exchangeable Shares acquired under the Transaction, other than for the purpose of obtaining Aviation Common Shares under the Exchangeable Share Provisions, the Support Agreement and Exchange Agreement, shall be deemed to be a distribution or a primary distribution to the public under the Legislation of the Jurisdiction in which the trade takes place (the "Applicable Legislation"), unless:

    (a) each of Travelbyus and Aviation is a reporting issuer or the equivalent under the Applicable Legislation at the time of such first trade, or in the case of Manitoba, Newfoundland, Prince Edward Island, New Brunswick, the Yukon Territory, the Northwest Territories and the Nunavut Territory, Travelbyus and Aviation have made the same continuous disclosure filings as are required by reporting issuers or issuers having a status equivalent to that of a reporting issuer;

(b) if the seller is an insider or officer of Aviation, the seller has no reasonable grounds to believe that Aviation is in default of any requirement of the Applicable Legislation;

(c) no unusual effort is made to prepare the market or to create a demand for the Exchangeable Shares;

(d) no extraordinary commission or other consideration is paid in respect of such first trade; and

(e) except in Québec, such first trade is not from the holdings of a person or company who holds a sufficient number of the voting rights attached to all outstanding voting securities of Aviation to affect materially the control of Aviation, or each person or company in a combination of persons or companies, acting in concert by virtue of an agreement, arrangement, commitment or understanding, which holds in total a sufficient number of the voting rights attached to all outstanding voting securities of Aviation to affect materially the control of Aviation, and if a person or company or combination of persons or companies holds more than 20% of the voting rights attached to all outstanding voting securities of Aviation, the person or company or combination of persons or companies is deemed, in the absence of evidence to the contrary, to hold a sufficient number of the voting rights to affect materially the control of Aviation;

3. the first trade in Aviation Common Shares acquired on exchange of the Exchangeable Shares under the Exchangeable Share Provisions, the Support Agreement and the Exchange Agreement, shall be deemed to be a distribution or a primary distribution to the public under the Applicable Legislation, unless:

(a) Aviation is a reporting issuer or the equivalent under the Applicable Legislation at the time of such first trade or, in the case of Manitoba, Newfoundland, Prince Edward Island, New Brunswick, the Yukon Territory, the Northwest Territories and the Nunavut Territory, Aviation has made the same continuous disclosure filings as are required by reporting issuers or issuers having a status equivalent to that of a reporting issuer;

(b) if the seller is an insider or officer of Aviation, the seller has no reasonable grounds to believe that Aviation is in default of any requirement of the Applicable Legislation;

(c) no unusual effort is made to prepare the market or to create a demand for the Aviation Common Shares;

(d) no extraordinary commission or other consideration is paid in respect of such first trade;

(e) except in Québec, such first trade is not from the holdings of a person or company who holds a sufficient number of the voting rights attached to all outstanding voting securities of Aviation to affect materially the control of Aviation, or each person or company in a combination of persons or companies, acting in concert by virtue of an agreement, arrangement, commitment or understanding, which holds in total a sufficient number of the voting rights attached to all outstanding voting securities of Aviation to affect materially the control of Aviation, and if a person or company or combination of persons or companies holds more than 20% of the voting rights attached to all outstanding voting securities of Aviation, the person or company or combination of persons or companies is deemed, in the absence of evidence to the contrary, to hold a sufficient number of the voting rights to affect materially the control of Aviation; and

(f) such trade is executed through the facilities of an exchange or market outside Canada; and

4. in British Columbia, Ontario, Alberta, Nova Scotia, Saskatchewan and Québec, Aviation is deemed to be a reporting issuer as of the effective date of the Arrangement.

January 15, 2001.

Adrienne Salvail-Lopez
Commissioner

2.1.20 Shaw Communications Inc. et al. - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications - relief from prospectus and registration requirements in connection with trades of variable rate equity linked to exchangeable debentures - subsequent trades permitted provided that they are made over foreign exchange, subject to certain conditions.

Applicable Ontario Statutory Provisions

Securities Act, R.S.O. 1990, s.C.5, as am., ss. 25, 53, 74(1).

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

AND

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

AND

IN THE MATTER OF
SHAW COMMUNICATIONS INC., 848965 ALBERTA LTD., SHAW INVESTMENT PARTNERSHIP, SHAW AT HOME INCENTIVE CORPORATION AND DEUTSCHE BANK CANADA

AND

IN THE MATTER OF
SHAW COMMUNICATIONS INC., 866153 ALBERTA LTD., SHAW INVESTMENT PARTNERSHIP II AND CREDIT SUISSE FIRST BOSTON SECURITIES CANADA INC.

MRRS DECISION DOCUMENT

1. **WHEREAS** the local securities regulatory authority or regulator (the "Decision Maker") in each of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Québec, New Brunswick, Nova Scotia, Newfoundland and Prince Edward Island, and in the Northwest Territories, the Yukon Territory and the Territory of Nunavut (collectively, the "Jurisdictions") has received an application from Shaw Communications Inc. ("SCI"), 848965 Alberta Ltd. ("Shaw Subco #1") and 866153 Alberta Ltd. ("Shaw Subco #2") for a decision pursuant to the securities legislation of the Jurisdictions (the "Legislation") that the requirements contained in the Legislation to be registered to trade in a security (the "Registration Requirements") and to file and obtain a receipt for a preliminary prospectus and a prospectus (the "Prospectus Requirements") (collectively, the "Prospectus and Registration Requirements") shall not apply to trades in connection with certain conversion events related to:

   1.1 variable rate equity linked exchangeable debentures of Shaw Subco #1 due November 9, 2024 (the "Shaw Subco #1 Debentures"); and

   1.2 variable rate equity linked exchangeable debentures of Shaw Subco #2 due March 8, 2025 (the "Shaw Subco #2 Debentures") (together with the Shaw Subco #1 Debentures, the "Debentures");

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

3. **AND WHEREAS** SCI, Shaw Subco #1 and Shaw Subco #2 have represented to the Decision Makers that:

   3.1 SCI is a corporation organized under the *Business Corporations Act* (Alberta), is a reporting issuer or equivalent in each of the Jurisdictions and is not in default of any of the requirements of the Legislation;

   3.2 in connection with the Shaw Subco #1 Debentures:

      3.2.1 Shaw Subco #1 is a corporation incorporated under the *Business Corporations Act* (Alberta) and is a direct wholly-owned subsidiary of SCI;

      3.2.2 Shaw At Home Incentive Corporation ("SAHIC") is a corporation organized under the *Business Corporations Act* (Alberta) and is an indirect wholly-owned subsidiary of SCI; and

      3.2.3 Shaw Investment Partnership ("SIP #1") is a general partnership formed under the laws of Alberta; and the partners of SIP #1 consist of 850376 Alberta Ltd., which is a direct wholly-owned subsidiary of SCI, and Shaw Investment Limited Partnership ("SILP"), which is a limited partnership, registered in Alberta and indirectly wholly-owned by SCI;

   3.3 in connection with the Shaw Subco #2 Debentures:

      3.3.1 Shaw Subco #2 is a corporation incorporated under the *Business Corporations Act* (Alberta) and is a direct wholly-owned subsidiary of SCI; and

3.3.2 Shaw Investment Partnership II ("SIP #2") is a general partnership formed under the laws of Alberta; and the partners of SIP #2 consist of 866281 Alberta Ltd., which is a direct wholly-owned subsidiary of SCI, and SILP;

3.4 At Home Corporation ("At Home") is a corporation existing under the laws of the state of Delaware and is subject to the reporting requirements of the United States *Securities Exchange Act of 1934*, as amended;

3.5 the shares of Series A common stock of At Home (the "At Home Common Shares") are listed and posted for trading on The NASDAQ Stock Market ("NASDAQ");

3.6 neither Shaw Subco #1, Shaw Subco #2, SIP #1, SIP #2, SAHIC (collectively, the "Shaw Parties") nor At Home is, and there is no expectation that they will be, a reporting issuer or equivalent in any of the Jurisdictions;

3.7 SIP #1, SAHIC and SIP #2 currently beneficially own 2,860,660, 390,000 and 1,110,530 At Home Common Shares, respectively, (collectively, the "Pledged Securities") which represent approximately 1.37% of the issued and outstanding At Home Common Shares. SCI originally acquired the Pledged Securities from At Home pursuant to an exemption from the Prospectus and Registration Requirements contained in the Legislation, and later caused the Pledged Securities to be transferred to SIP #1, SAHIC and SIP #2, as the case may be;

3.8 according to a list of registered shareholders of At Home maintained by At Home and dated as of October 31, 2000, of the 317,608,496 At Home Common Shares outstanding, approximately 0.0035% were held by registered shareholders resident in Ontario, less than 0.0001% were held by registered shareholders resident in Quebec and approximately 0.35% were held by registered shareholders resident in Alberta. Of the registered shareholders, five are resident in Ontario, three are resident in Quebec and four are resident in Alberta;

3.9 the Shaw Subco #1 Debentures, in the aggregate principal amount of U.S. $137,693,000, were issued by Shaw Subco #1 to Deutsche Bank Canada ("Deutsche Bank") pursuant to a trust indenture (the "Shaw Subco #1 Trust Indenture") dated as of November 9, 1999 (the "Shaw Subco #1 Closing Date") among Shaw Subco #1, SCI, SIP #1, SAHIC and Montreal Trust Company of Canada, as trustee (the "Trustee");

3.10 the Shaw Subco #2 Debentures, in the aggregate principal amount of U.S. $39,053,000, were issued by Shaw Subco #2 to Credit Suisse First Boston Securities Canada Inc. ("Credit Suisse") pursuant to a trust indenture (the "Shaw Subco #2 Trust Indenture") dated as of March 8, 2000 (the "Shaw Subco #2 Closing Date") among Shaw Subco #2, SCI, SIP #2 and the Trustee, as trustee;

3.11 the Debentures were issued by Shaw Subco #1 and Shaw Subco #2 to Deutsche Bank and Credit Suisse, respectively, (collectively, the "Purchasers") pursuant to an exemption from the Prospectus and Registration Requirements contained in the Legislation. The Purchasers may resell the Debentures to persons in, or outside of, the Jurisdictions pursuant to exemptions from the prospectus and registration requirements contained in the Legislation;

3.12 the Debentures have a 25 year term with a maturity date (the "Maturity Date") of November 9, 2024 in the case of the Shaw Subco #1 Debentures and March 8, 2025 in the case of the Shaw Subco #2 Debentures. The Debentures were issued in U.S. $1,000 denominations, with each U.S. $1,000 principal amount of Debenture being exchangeable for At Home Common Shares;

3.13 a prescribed rate of interest will be payable semi-annually on the Debentures by Shaw Subco #1 and Shaw Subco #2, as applicable;

3.14 pursuant to guarantees (the "Guarantees"):

3.14.1 each of SIP #1 and SAHIC guarantees, as principal debtor pursuant to the terms of the Shaw Subco #1 Trust Indenture, the obligations of Shaw Subco #1 under the Shaw Subco #1 Debentures and the Shaw Subco #1 Trust Indenture; and

3.14.2 SIP #2 guarantees, as principal debtor pursuant to the terms of the Shaw Subco #2 Trust Indenture, the obligations of Shaw Subco #2 under the Shaw Subco #2 Debentures and the Shaw Subco #2 Trust Indenture;

3.15 as security for the Guarantees, Shaw Subco #1, SIP #1 and SAHIC (all in connection with the Shaw Subco #1 Debentures), and Shaw Subco #2 and SIP #2 (both in connection with the Shaw Subco #2 Debentures), have pledged to the Trustee all of their right, title and interest in the Pledged Securities (the "Securities Pledges");

3.16 the Pledged Securities include all after-acquired securities, instruments or other personal property or assets distributable in respect of any of the Pledged Securities pursuant to any dividends, interest obligations, stock dividends, recapitalizations, amalgamations, mergers, consolidations, stock splits, combinations, exchanges or otherwise (collectively, "Resulting Property"; any Resulting Property which

constitutes securities is referred to as the "Resulting Securities");

3.17 under the terms of the Shaw Subco #1 Trust Indenture and the Shaw Subco #2 Trust Indenture (collectively, the "Trust Indentures") and the Securities Pledges, the Shaw Parties have the right to replace the Pledged Securities or the Resulting Property from time to time with Authorized Investments (as defined in the Trust Indentures). The Shaw Parties may sell, transfer or otherwise dispose of any such At Home Common Shares or Resulting Property that are released from the Securities Pledges;

3.18 the Trust Indentures provide that the exchange price (the "Exchange Price") is U.S. $42.3585 per At Home Common Share, in the case of the Shaw Subco #1 Debentures, and U.S. $35.1661, in the case of the Shaw Subco #2 Debentures. Each U.S. $1,000 principal amount of Debenture will be exchangeable from time to time and in part or in whole at the option of the Debenture holder (the "Right to Exchange") for, in addition to the payment of accrued but unpaid interest, the number of At Home Common Shares which is obtained by dividing the applicable Exchange Price into U.S. $1,000 (the "Exchange Rate") which on the Shaw Subco #1 Closing Date was 23.6080 At Home Common Shares per U.S. $1,000 principal amount of Shaw Subco #1 Debentures and on the Shaw Subco #2 Closing Date was 28.43648 At Home Common Shares per U.S. $1,000 principal amount of Shaw Subco #2 Debentures;

3.19 Shaw Subco #1 and Shaw Subco #2 may elect to satisfy their respective obligations under the applicable Right to Exchange by delivery of:

3.19.1 At Home Common Shares (that constitute Pledged Securities) and/or Resulting Property (if any); or

3.19.2 in respect of each U.S. $1,000 principal amount of corresponding Debentures, subject to paragraph 3.23 below as it relates to Resulting Property, the cash amount equal to the applicable Exchange Rate multiplied by the Current Market Price (as defined in the applicable Trust Indenture) per At Home Common Share (the "At Home Cash Payment");

3.20 at any time after November 9, 2002 in the case of the Shaw Subco #1 Debentures, and March 8, 2003, in the case of the Shaw Subco #2 Debentures, and prior to the applicable Maturity Date, and subject to the right of Debenture holders to exercise the applicable Right to Exchange, Shaw Subco #1 and Shaw Subco #2 may redeem, from time to time, not less than that number of Shaw Subco #1 Debentures and Shaw Subco #2 Debentures, respectively, equal to one-third of the corresponding Debentures issued and outstanding on the Shaw Subco #1 Closing Date and Shaw Subco #2 Closing Date, respectively, in all cases, at a redemption price equal to the principal amount ("Redemption Value") plus any accrued and unpaid semi-annual payments of interest;

3.21 Shaw Subco #1 and Shaw Subco #2 may elect to satisfy payment of the Redemption Value by delivery of At Home Common Shares (that constitute Pledged Securities) and/or Resulting Property (if any) or, subject to paragraph 3.23 below as it relates to Resulting Property, by way of the At Home Cash Payment for the amount redeemed;

3.22 the applicable Exchange Rate shall be adjusted by the Trustee upon the occurrence of certain stated dilutive events, which may produce Resulting Property, including a Share Reorganization, a distribution of an Extraordinary Cash Dividend or Dividend Property, a Reorganization Event or a Merger Event (as such terms are defined in the Trust Indentures and each referred to herein as an "Adjustment Event"), all in accordance with the provisions of the applicable Trust Indenture;

3.23 the provisions of the Trust Indentures relating to the satisfaction of the respective obligations of Shaw Subco #1 and Shaw Subco #2 under the applicable Right to Exchange and on redemption provide that Resulting Property, including Resulting Securities, for which there is no liquid market, must be distributed in kind to the corresponding Debenture holders upon exchange or redemption. In such circumstances, cash in the form of the At Home Cash Payment or otherwise cannot be delivered in lieu thereof;

3.24 on the applicable Maturity Date, to the extent that the corresponding Debentures have not been previously redeemed or exchanged, in respect of each U.S. $1,000 principal amount of such corresponding Debentures, Shaw Subco #1 and Shaw Subco #2 will repay the Shaw Subco #1 Debentures and the Shaw Subco #2 Debentures, respectively, at the principal amount of such corresponding Debentures plus any accrued and unpaid semi-annual payments of interest (collectively, the "Maturity Value") in accordance with the provisions of the applicable Trust Indenture;

3.25 at the option of Shaw Subco #1 and Shaw Subco #2, and subject to paragraph 3.23 above as it relates to Resulting Property, the applicable Maturity Value may be satisfied in respect of each U.S. $1,000 principal amount of corresponding Debentures by:

3.25.1 delivery to a corresponding Debenture holder of At Home Common Shares (that constitute Pledged Securities) and/or

Resulting Property (if any) with a value, based on the Current Market Price on the date which is one business day prior to the applicable Maturity Date, equal to the applicable Maturity Value; or

3.25.2 any combination of 3.25.1 and cash;

3.26 any of the Shaw Parties, in connection with the Shaw Subco #1 Debentures or Shaw Subco #2 Debentures, as applicable, may enter into Securities Lending Transactions (as defined in paragraph 3.31 below) whereby the At Home Common Shares and/or Resulting Securities which any of them receives from the Trustee upon replacement of such securities with Authorized Investments, as described above in paragraph 3.17, are loaned to a securities borrower who may be:

3.26.1 a corresponding Debenture holder; or

3.26.2 an intermediary who is a qualified party, as described in Appendix A, ("Qualified Party") and who wishes to loan the At Home Common Shares and/or Resulting Securities to a corresponding Debenture holder, for the purposes described in paragraphs 3.27 to 3.30 below;

3.27 a Debenture holder may seek to limit the risk of declining value in the At Home Common Shares and/or Resulting Securities, which the Debenture holder would receive on an exercise of the applicable Right to Exchange, by the use of a short hedge;

3.28 to implement a short hedge, the Debenture holder would sell short a certain number of At Home Common Shares and/or Resulting Securities and then borrow the same number of At Home Common Shares and/or Resulting Securities to settle the short sale;

3.29 the Debenture holder may borrow the At Home Common Shares and/or Resulting Securities from any of the Shaw Parties, in connection with the Shaw Subco #1 Debentures or Shaw Subco #2 Debentures, as applicable, or from a Qualified Party (who obtained the At Home Common Shares as described above in paragraph 3.26 or otherwise);

3.30 at a future time, the Debenture holder will be required to buy the same number of At Home Common Shares and/or Resulting Securities, or exercise the applicable Right to Exchange to obtain such number of At Home Common Shares and/or Resulting Securities, in order to repay the securities loan to a securities lender who may then use such At Home Common Shares and/or Resulting Securities in another securities lending transaction;

3.31 the transactions involved in paragraphs 3.26 to 3.30 above (inclusive) are referred to herein as the "Securities Lending Transactions"; and

3.32 in order to provide maximum flexibility to SCI, Shaw Subco #1 and Shaw Subco #2 during the term of the Debentures, Debentures properly tendered, delivered or exchanged by a holder in connection with the exercise by a Debenture holder of the applicable Right to Exchange, or in connection with the payment of the applicable Redemption Value on redemption, may, at the direction of Shaw Subco #1 or Shaw Subco #2, as the case may be, be purchased, redeemed or otherwise acquired by a subsidiary of SCI other than Shaw Subco #1 or Shaw Subco #2, as the case may be. Debentures so purchased, redeemed or otherwise acquired will not be cancelled and may be re-issued. On such a purchase, redemption or other acquisition by a subsidiary of SCI other than Shaw Subco #1 or Shaw Subco #2, as the case may be, such subsidiary is required to deliver to the Debenture holder the same consideration that would otherwise be deliverable by Shaw Subco #1 or Shaw Subco #2, as the case may be, on the exercise of the applicable Right to Exchange, or in connection with the payment of the applicable Redemption Value on redemption, as the case may be, including At Home Common Shares or Resulting Securities;

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

5. **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;

6. **THE DECISION** of the Decision Makers pursuant to the Legislation is that the Prospectus and Registration Requirements shall not apply to trades of Shaw Subco #1 Debentures, Shaw Subco #2 Debentures, At Home Common Shares or Resulting Securities in connection with:

6.1 the exercise by a Debenture holder of the applicable Right to Exchange;

6.2 the payment of the Redemption Value of a Debenture on redemption;

6.3 the payment of the Maturity Value of a Debenture on the applicable Maturity Date;

6.4 the replacement of At Home Common Shares or Resulting Securities with Authorized Investments;

6.5 the purchase of Shaw Subco #1 Debentures by a subsidiary of SCI other than Shaw Subco #1; and

6.6 the purchase of Shaw Subco #2 Debentures by a subsidiary of SCI other than Shaw Subco #2;

(collectively, the "Conversion or Transaction Events") provided that, at the time of such trades, Shaw Subco #1 or Shaw Subco #2, as applicable, is not a reporting issuer or equivalent in any of the Jurisdictions;

7. **THE FURTHER DECISION** of the Decision Makers pursuant to the Legislation is that any subsequent trade of Shaw Subco #1 Debentures, Shaw Subco #2 Debentures, At Home Common Shares or Resulting Securities acquired in connection with a Conversion or Transaction Event shall be a distribution or a primary distribution to the public unless:

7.1 the trade is executed through the facilities of NASDAQ or a stock exchange located outside of Canada in accordance with the laws and rules applicable to NASDAQ or such exchange;

7.2 in connection with the Shaw Subco #1 Debentures, the trade is made in connection with a Securities Lending Transaction to a Shaw Subco #1 Debenture holder, Shaw Subco #1, SAHIC, SIP #1 or a Qualified Party; or

7.3 in connection with the Shaw Subco #2 Debentures, the trade is made in connection with a Securities Lending Transaction to a Shaw Subco #2 Debenture holder, Shaw Subco #2, SIP #2 or a Qualified Party.

DATED at Calgary, Alberta this 15th day of December, 2000.

"Eric T. Spink"
Vice-Chair

"Thomas D. Pinder"
Member

APPENDIX A

QUALIFIED PARTIES FOR SECURITIES LENDING TRANSACTIONS

INTERPRETATION

(1) The terms "subsidiary" and "holding body corporate" used in paragraphs (w), (x) and (y) of subsection (3) of this Appendix have the same meaning as they have in the *Canada Business Corporations Act* (Canada).

(2) All requirements contained in this Appendix that are based on the amounts shown on the balance sheet of an entity apply to the consolidated balance sheet of the entity.

QUALIFIED PARTIES ACTING AS PRINCIPAL

(3) The following are qualified parties for securities lending transactions, if acting as principal:

Banks

(a) a bank listed in Schedule I or II to the *Bank Act* (Canada);

(b) the Business Development Bank of Canada incorporated under the *Business Development Bank of Canada Act* (Canada);

(c) a bank subject to the regulatory regime of a country that is a member of the Basle Accord, or that has adopted the banking and supervisory rules set out in the Basle Accord, if the bank has a minimum paid up capital and surplus, as shown on its last audited balance sheet, in excess of $25 million or its equivalent in another currency;

Credit Unions and Caisses Populaires

(d) a credit union central, federation of caisses populaires, credit union or regional caisse populaire, located, in each case, in Canada;

Loan and Trust Companies

(e) a loan corporation or trust corporation registered under the *Trust and Loan Companies Act* (Canada), or under comparable legislation in any other province or territory of Canada;

(f) a loan company or trust company subject to the regulatory regime of a country that is a member of the Basle Accord, or that has adopted the banking and supervisory rules set out in the Basle Accord, if the loan company or trust company has a minimum paid up capital and surplus, as shown on its last audited balance sheet, in excess of $25 million or its equivalent in another currency;

Insurance Companies

(g) an insurance company licensed to do business in Canada or a province or territory of Canada, if the insurance company has a minimum paid up capital and surplus, as shown on its last audited balance sheet, in excess of $25 million or its equivalent in another currency;

(h) an insurance company subject to the regulatory regime of a country that is a member of the Basle Accord, or that has adopted the banking and supervisory rules set out in the Basle Accord, if the insurance company has a minimum paid up capital and surplus, as shown on its last audited balance sheet, in excess of $25 million or its equivalent in another currency;

Sophisticated Entities

(i) a person or company that

(i) has entered into one or more transactions involving OTC derivatives (as that term is defined in proposed Ontario Securities Commission Rule 91-504) with counterparties that are not its affiliates, if

(A) the transactions had a total gross dollar value of or equivalent to at least $1 billion in notional principal amount; and

(B) any of the contracts relating to one of these transactions was outstanding on any day during the previous 15-month period, or

(ii) had total gross marked-to-market positions of or equivalent to at least $100 million aggregated across counterparties, with counterparties that are not its affiliates in one or more transactions involving OTC derivatives on any day during the previous 15-month period;

Individuals

(j) an individual who has a net worth of at least $5 million, or its equivalent in another currency, excluding the value of his or her principal residence;

Governments/Agencies

(k) Her Majesty in right of Canada or any province or territory of Canada and each crown corporation, instrumentality and agency of a Canadian federal, provincial or territorial government;

(l) a national government of a country that is a member of the Basle Accord, or that has adopted the banking and supervisory rules of the Basle Accord, and each instrumentality and agency of that government or corporation wholly-owned by that government;

Municipalities

(m) any Canadian municipality with a population in excess of 50,000 and any Canadian provincial or territorial capital city;

Corporations and other Entities

(n) a company, partnership, unincorporated association or organization or trust, other than an entity referred to in paragraph (a), (b), (c), (d), (e), (f), (g) or (h), with total revenue, as shown on its last audited financial statements, in excess of $25 million or its equivalent in another currency;

Pension Plan or Fund

(o) a pension fund that is regulated by either the Office of the Superintendent of Financial Institutions (Canada) or a provincial pension commission, if the pension fund has total net assets, as shown on its last audited balance sheet, in excess of $25 million, provided that, in determining net assets, the liability of a fund for future pension payments shall not be included;

Mutual Funds and Investment Funds

(p) a mutual fund or non-redeemable investment fund if each investor in the fund is a qualified party and if the fund is otherwise entitled to enter into securities lending transactions under the applicable Legislation;

(q) a mutual fund that distributes its securities in a Jurisdiction, if the portfolio manager of the fund is registered as an adviser, other than a securities adviser, under the Legislation in any Jurisdiction and if the fund is otherwise entitled to enter into securities lending transactions under the applicable Legislation;

(r) a non-redeemable investment fund that distributes its securities in a Jurisdiction, if the portfolio manager of the fund is registered as an adviser, other than a securities adviser, under the Legislation in any Jurisdiction and if the fund is otherwise entitled to enter into securities lending transactions under the applicable Legislation;

Brokers/Investment Dealers

(s) a person or company registered under the Legislation in any Jurisdiction or securities legislation in the United States as a broker or an investment dealer or both;

(t) a person or company registered under the Legislation in Ontario as an international dealer if the person or company has total assets, as

shown on its last audited balance sheet, in excess of $25 million or its equivalent in another currency;

Futures Commission Merchants

(u) a person or company registered under commodity futures legislation in any Jurisdiction as a dealer in the category of futures commission merchant, or in an equivalent capacity;

Charities

(v) a registered charity under the *Income Tax Act* (Canada) with assets not used directly in charitable activities or administration, as shown on its last audited balance sheet, of at least $5 million or its equivalent in another currency;

Affiliates

(w) a wholly-owned subsidiary of any of the organizations described in paragraph (a), (b), (c), (d), (e), (f), (g), (h), (n), (o), (s), (t) or (u);

(x) a holding body corporate of which any of the organizations described in paragraph (w) is a wholly-owned subsidiary;

(y) a wholly-owned subsidiary of a holding body corporate described in paragraph (x);

(z) a firm, partnership, joint venture or other form of unincorporated association in which one or more of the organizations described in paragraph (w), (x) or (y) have a direct or indirect controlling interest.

2.1.21 Merrill Lynch Mortgage Loans Inc. & Merrill Lynch Canada Inc. - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications - Section 233 of the Regulation - issuer is related issuer and therefore connected issuer of sole underwriter - no independent underwriter involvement subject to certain conditions, including participation of an arm's length party in the negotiation of the material terms of the offering, the drafting of the prospectus, the due diligence relating to the offering, the pricing of the securities and the disclosure of such information and the relationship between the issuer and the underwriter in the prospectus.

Statutes Cited

Securities Act, R.S.O. 1990, c. S. 5, as am. (the "Act").

Regulations Cited

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

Rules Cited

In the Matter of the Limitations on a Registrant Underwriting Securities of a Related Issuer or Connected Issuer of the Registrant (1997), 20 OSCB 1217.

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

AND

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

AND

IN THE MATTER OF
MERRILL LYNCH MORTGAGE LOANS INC.
AND MERRILL LYNCH CANADA INC.

MRRS DECISION DOCUMENT

WHEREAS the local securities regulatory authority or regulator (the "Decision Maker") in each of Ontario, British Columbia, Alberta, Québec and Newfoundland (the "Jurisdictions") has received an application from Merrill Lynch Mortgage Loans Inc. (the "Issuer") and Merrill Lynch Canada Inc. ("ML Canada") (the Issuer and ML Canada are collectively referred to herein as the "Filer") for a decision pursuant to the securities legislation of the Jurisdictions (the "Legislation") that the provision contained in the Legislation mandating independent underwriter involvement shall not apply to ML Canada and the Issuer in respect of the proposed offering of Merrill Lynch Mortgage Loans Inc. Commercial Mortgage Pass-Through Certificates, Series 2001 – LBC (as defined

below) by means of a preliminary short form prospectus (the "Preliminary Prospectus") and a short form prospectus (the "Prospectus");

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

AND WHEREAS it has been represented by the Filer to the Decision Makers that:

1. the Issuer was incorporated under the laws of Canada on March 13, 1995; the authorized share capital of the Issuer consists of an unlimited number of common shares, of which 1,000 common shares are issued and outstanding, all of which are held by Merrill Lynch & Co., Canada Ltd. ("ML & Co."); the head office of the Issuer is located in Toronto, Ontario;

2. to date the Issuer has issued 600,000,000 S&P BULLS (the "S&P 500 Bulls"), $182,083,237 (initial certificate balance) of pass-through certificates of which $163,874,000 (initial certificate balance) were designated as Exchangeable Commercial Mortgage Pass-Through Certificates, Series 1998 - Canada 1 (the "Offered Certificates"), $163,874,000 (initial certificate balance) Commercial Mortgage Pass-Through Certificates, Series 1998-Canada 1 (the "C-1 Certificates"), $193,741,000 (initial certificate balance) of Commercial Mortgage Pass-Through Certificates, Series 1999-Canada 2 (the "C-2 Certificates"), $220,000,000 (initial certificate balance) of 1st Street Tower Pass-Through Certificates (the "Tower Certificates"), approximately $227,324,000 (initial certificate balance) of Commercial Mortgage Pass-Through Certificates, Series 2000-Canada 3 (the "C-3 Certificates"), approximately $115,500,000 (initial certificate balance) of BMCC Corporate Centre Pass-Through Certificates, Series 2000-BMCC (the "BMCC Certificates") and approximately $255,981,000 (initial certificate balance) of Commercial Mortgage Pass-Through Certificates, Series 2000-Canada 4 (the "C-4 Certificates");

3. on May 12, 1999 and May 19, 2000 the Issuer filed a revised annual information form and received an acceptance thereof on behalf of the Canadian securities administrators dated May 13, 1999 and August 31, 2000 respectively;

4. the Issuer has been a "reporting issuer" (or the equivalent as defined in the Legislation) pursuant to the securities legislation in each of the provinces of Canada for over 12 calendar months and is not in default of any of the requirements of the Legislation, but has been granted relief from the requirements to make continuous disclosure of its financial results under applicable securities legislation by the securities regulatory authorities in applicable provinces other than certain reports to the S&P 500 Bulls investors, the Canada 1 Certificateholders, the Canada 2 Certificateholders, the Canada 3 Certificateholders, the Canada 4 Certificateholders, the Tower Certificateholders, the BMCC Certificateholders and the holders of such additional certificates (the "Additional Certificates") as may be set forth from time to time in the schedule attached to the MRRS Decision Document dated November 30, 2000 and variations thereof granting the Issuer relief from the continuous disclosure requirements based upon the fact that after the completion of the S&P 500 Bulls, C-1 Certificates, C-2 Certificates, C-3 Certificates, C-4 Certificates, Tower Certificates, BMCC Certificates and any Additional Certificates transactions the continued financial performance of the Issuer is not relevant to an investor because the S&P Bulls, C-1 Certificates, C-2 Certificates, C-3 Certificates, C-4 Certificates, Tower Certificates, BMCC Certificates and Additional Certificates do not represent any interest or claim on any assets of the Issuer;

5. the Issuer currently has no assets or liabilities other than its rights and obligations under certain of the material contracts related to the S&P 500 BULLS, the C-1 Certificates, the C-2 Certificates, the C-3 Certificates, the C-4 Certificates, the Tower Certificates and the BMCC Certificates transactions and does not presently carry on any activities except in relation to the S&P 500 Bulls, the C-1 Certificates, the C-2 Certificates, the C-3 Certificates, the C-4 Certificates, the Tower Certificates and the BMCC Certificates;

6. the officers and directors of the Issuer are employees of ML Canada;

7. ML Canada was continued and amalgamated under the laws of Canada on August 26, 1998; the authorized share capital of ML Canada consists of an unlimited number of common shares; all of the issued and outstanding common shares of ML Canada are owned by ML & Co. and Midland Walwyn Inc; the head office of ML Canada is located in Toronto, Ontario;

8. ML Canada is not a reporting issuer in any Canadian province;

9. ML Canada is registered as a dealer in the categories of "broker" and "investment dealer" and is a member of the Investment Dealers Association of Canada;

10. the Issuer proposes to offer Merrill Lynch Mortgage Loans Inc. Commercial Mortgage Pass-Through Certificates, Series 2001 – LBC (the "LBC Pass-Through Certificates"), issuable in classes, with an Approved Rating by an Approved Rating Organization, as those terms are defined in the Legislation with respect to the prompt offering qualification system (the "POP System") and the shelf system (the "Shelf System"), to the public in Canada (the "Offering"), to finance the purchase by the Issuer from Merrill Lynch Capital Canada Inc. of ownership interests in particular mortgage loans purchased by Merrill Lynch Capital Canada Inc. from Laurentian Bank of Canada ("LBC"). Beneficial title to the mortgage loans will be deposited with Montreal Trust Company of Canada as custodian (the "Custodian") on closing and within 90 days thereafter, registered title to the mortgage loans will be recorded in the name of the Custodian. Each LBC Pass-Through Certificate of a particular class will

represent an undivided co-ownership interest in a particular pool of mortgage loans;

11. LBC is a bank under the Bank Act (Canada) and is a reporting issuer pursuant to the securities legislation in each of the provinces of Canada. LBC is an independent arm's length party of ML Canada and the Issuer.

12. ML Canada proposes to act as the underwriter in connection with the distribution of 100% of the dollar value of the distribution for the proposed Offering;

13. all material terms of the LBC Pass-Through Certificates and the Offering will be negotiated on an arm's length basis between LBC and ML Canada and may not be changed in any material fashion without approval of specified percentage of the holders of the LBC Pass-Through Certificates which will be set out in the Preliminary Prospectus and the Prospectus in respect of the Offering. LBC has participated in the drafting of the Preliminary Prospectus, and will participate in the drafting of the Prospectus, the due diligence relating to the Offering and in the pricing of the LBC Pass-Through Certificates.

14. the only financial benefits which ML Canada will receive as a result of the proposed Offering are the normal arm's length underwriting commission, a structuring fee and reimbursement of expenses associated with a public offering in Canada, which commissions and reimbursements shall for purposes of this Decision be deemed to include the increases or decreases contemplated by Section 3.5(a)(1) of National Policy No. 44 and by the applicable securities legislation in Québec;

15. ML Canada took the initiative in organizing the business of the Issuer in connection with the Offering and as such ML Canada may be considered to be a "promoter" of the Issuer within the meaning of the Legislation;

16. ML Canada administers the ongoing operations and pays the ongoing operating expenses of the Issuer, for which ML Canada receives no additional compensation;

17. the Issuer may be considered to be a related issuer (or the equivalent as defined in the Legislation) and therefore a connected issuer (or the equivalent as defined in the Legislation) of ML Canada for the purposes of the proposed Offering because:

    (a) both ML Canada and the Issuer are subsidiaries of ML & Co.;

    (b) the officers of the Issuer are employees of ML Canada;

    (c) ML Canada is a promoter of the Issuer; and

    (d) ML Canada administers the on-going operations of the Issuer;

18. in connection with the proposed distribution by ML Canada of 100% of the LBC Pass-Through Certificates of the Issuer, the Preliminary Prospectus and the Prospectus of the Issuer shall contain the following information:

    (a) on the front page of each such document,

        (i) a statement, naming ML Canada, in bold type which states that the Issuer is a related issuer (or the equivalent) and therefore a connected issuer (or the equivalent) of ML Canada in connection with the distribution,

        (ii) a summary, naming ML Canada, stating that the Issuer is a related issuer (or the equivalent) and therefore a connected issuer (or the equivalent) of ML Canada based on, among other things, the common ownership of ML Canada and the Issuer, and

        (iii) a cross-reference to the applicable section in the body of the document where further information concerning the relationship between the Issuer and ML Canada is provided;

    (b) in the body of each such document,

        (i) a statement, naming ML Canada, that the Issuer is a related issuer (or the equivalent) and therefore a connected issuer (or the equivalent) of ML Canada in connection with the distribution,

        (ii) a summary explaining the basis on which the Issuer is a related issuer (or the equivalent) and therefore a connected issuer (or the equivalent) of ML Canada, including details of the common ownership by ML & Co. of ML Canada and the Issuer, and other aspects of the relationship between ML Canada and the Issuer,

        (iii) disclosure regarding the involvement of ML Canada in the decision to distribute the LBC Pass-Through Certificates being offered and the determination of the terms of the distribution including specific reference to the negotiation of such terms on an arm's length basis with LBC,

        (iv) details of the financial benefits described in paragraph 14 of this Decision Document which ML Canada will receive from the proposed Offering, and

        (v) the participation of LBC in the proposed Offering described in paragraph 13 of this Decision Document;

AND WHEREAS pursuant to the MRRS 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 the requirement contained in the Legislation mandating independent underwriter involvement shall not apply to ML Canada and the Issuer in connection with the Offering provided that:

(a) LBC participates in the Offering as stated in paragraph 13 above; and

(b) LBC's participation in the Offering and the relationship between the Issuer and ML Canada are disclosed in the Preliminary Prospectus and the Prospectus of the Issuer as stated in paragraph 18 above.

December 27, 2000.

"Howard I. Wetston" "J.A. Geller"

2.1.22 Microcell Telecommunications et al. - MRRS Decision

Headnote

Section 233 of Regulation - Issuer is a connected issuer of one of the underwriters - Related underwriter exempted from clause 224(1)(b) of Regulation where there is participation by an independent agent corresponding to that required by section 2.1 of proposed Multi-Jurisdictional Instrument 33-105 Underwriting Conflicts.

Applicable Ontario Statute

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

Applicable Ontario Regulation

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

Applicable Ontario Rule

Proposed Multi-Jurisdictional Instrument 33-105 Underwriting Conflicts, (1998), 21 OSCB 788, as amended (1999), 22 OSCB 149.

IN THE MATTER OF
THE CANADIAN SECURITIES LEGISLATION OF
THE PROVINCES OF BRITISH COLUMBIA,
NEWFOUNDLAND, QUÉBEC AND ONTARIO

AND

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

AND

IN THE MATTER OF
MICROCELL TELECOMMUNICATIONS INC.

AND

IN THE MATTER OF
BMO NESBITT BURNS INC.
CIBC WORLD MARKETS INC.
J.P. MORGAN SECURITIES CANADA INC.
NATIONAL BANK FINANCIAL INC.

MRRS DECISION DOCUMENT

WHEREAS an application has been received by the British Columbia Securities Commission, the Securities Commission of Newfoundland, the Québec Securities Commission and the Ontario Securities Commission (the "**Commissions**") from BMO Nesbitt Burns Inc. ("**Nesbitt**"), CIBC World Markets Inc. ("**CIBC WM**"), J.P. Morgan Securities Canada Inc. ("J.P. Morgan Canada") and National Bank Financial Inc. ("**NBF**"), (collectively, the "**Underwriters**") for a

decision pursuant to the Canadian securities legislation (the "**Legislation**") of Alberta, British Columbia, Newfoundland, Québec and Ontario (the "**Jurisdictions**") that the restrictions against acting as an underwriter with respect to the conflict of interest rules contained in the Legislation (the "**Independent Underwriter Requirement**") shall not apply to the Underwriters in connection with a public offering by Microcell Telecommunications Inc. ("**Microcell**") of 3,703,704 Class B Non-Voting shares (the "**Shares**") at a price of $27.00 per Share by way of a short form prospectus (the "**Prospectus**") filed with all securities commissions in Canada, and a registration statement filed with the United States Securities and Exchange Commission, of which 2,032,659 Shares for aggregate gross proceeds of $54,881,793 million have been underwritten by the underwriters (the "**Underwritten Offering**") and the balance of 1,671,045 Shares for gross proceeds of $45,118,215 will be subscribed for by Telesystem Ltd. and VoiceStream Wireless Corporation pursuant to a concurrent purchase covered by the Prospectus (the "**Concurrent Purchase**", and collectively with the Underwritten Offering the "**Offering**").

AND WHEREAS pursuant to the Mutual Reliance System for Exemptive Relief Applications (the "**System**"), the Québec Securities Commission is the Principal Regulator for this application.

AND WHEREAS the Underwriters have represented to the Commissions that:

1. Microcell is a corporation that was incorporated under the *Canada Business Corporations Act* and its head office is located in Montreal, Québec. Microcell is involved in the design and deployment of wireless communications services.

2. Microcell is a reporting issuer in all provinces of Canada and its Shares are listed for trading on The Toronto Stock Exchange and quoted on the Nasdaq National Market.

3. Microcell filed on January10, 2001 a preliminary short form prospectus (the "**Preliminary Prospectus**") in order to issue pursuant to the Offering, a total of 3,703,704 Shares for an aggregate consideration of $100,000,008. The Preliminary Prospectus was filed with the securities commissions and similar regulatory authorities of each province under the Mutual Reliance Review System for Prospectuses with Québec as its designated jurisdiction. Microcell intends to file a final short form Prospectus on or about January 17, 2001.

4. The proportionate share of the Underwritten Offering to be underwritten by each of the members of the underwriting syndicate offering the Shares is as follows:

Underwriter	Proportionate Share
Nesbitt	27.5%
Merrill Lynch Canada Inc. ("Merrill")	27.5%
CIBC WM	15%
J.P. Morgan Canada	10%
NBF	10%
RBC Dominion Securities ("RBC DS")	10%

5. Nesbitt is a wholly-owned subsidiary of BMO Nesbitt Burns Corporation Limited, an indirect majority-owned subsidiary of Bank of Montreal ("**BMO**"); CIBC WM is a wholly-owned subsidiary of the Canadian Imperial Bank of Commerce (the "**CIBC**"); J.P. Morgan Canada is a wholly-owned subsidiary of J.P. Morgan Chase & Co. ("**J.P. Morgan**") and NBF is an indirect wholly-owned subsidiary of National Bank of Canada ("**National**"). BMO, CIBC, J.P. Morgan and National are hereinafter referred to as the "**Related Banks**".

6. Nesbitt, CIBC WM, J.P. Morgan Canada and NBF are subsidiaries of banks which are members of a syndicate of financial institutions (the "**Microcell Lenders**") that has made credit facilities available to Microcell (the "**Microcell Loan Facilities**"). The Microcell Loan Facilities provide for an aggregate maximum availability of $750 million, of which, as at December 31, 2000, approximately

   $54.7 million was owed to the banks that control the Underwriters. Microcell is in good financial condition and is not in default under the Microcell Loan Facilities.

   Microcell is also indebted to each of BMO and CIBC in the amount of $56.4 million, respectively, for the issuance of standby letters of credit to support Microcell's participation in Industry Canada's upcoming auction of additional PCS Spectrum in the 2 GHz frequency range.

   Microcell is an affiliate of Look Communications Inc. ("Look") because both corporations are ultimately controlled by Telesystem Ltd. Look currently has a revolving credit facility (the "**Look Loan Facility**") with BMO and Bank of Nova Scotia (the "**Look Lenders**"). The Look Loan Facility provides for an aggregate maximum availability of $208 million and is fully drawn as of the date hereof.

   Microcell Capital II Inc., a wholly owned subsidiary of Microcell, has entered into a binding term sheet (the "**Term Sheet**") with Look to acquire from Look, 50% of the outstanding shares of Inukshuk Internet Inc. ("**Inukshuk**") on or before January 31, 2001 for a price of $150 million (the "**Inukshuk Acquisition**"). The remaining 50% of the outstanding shares of Inukshuk is already owned directly or indirectly by Microcell. The closing of the Inukshuk Acquisition is conditional upon the closing of the Offering. In connection with the execution of the Term Sheet, the Look Lenders have agreed, among other things, to waive certain defaults of Look. The purchase price to be received by Look pursuant to the Inukshuk Acquisition will be applied in part to reduce or repay indebtedness of Look to the Look Lenders.

Look may be considered a "specified party", within the meaning ascribed to that term in the Proposed Conflicts Instrument (as defined below), if it were issuing the securities pursuant to the Offering. However, Microcell has not, during the 12 months preceding the Offering, undertaken any of the activities described in clauses(b)(i)(A) and (B) of the definition of "specified party" set out in the Proposed Conflicts Instruments (as defined below) and it could not reasonably be expected that Microcell will undertake any of such activities within the 12 months following the end of the Offering.

Each of Nesbitt, CIBC WM, J.P. Morgan Canada and NBF is controlled by a bank that is a lender to Microcell and Nesbitt is controlled by a bank that is a lender to Look. Neither the Microcell Lenders nor the Look Lenders participated in the decision of Microcell to make the Offering, nor did any of such lenders participate in the determination of the terms of the distribution or in the use of proceeds thereof.

7. Furthermore, each of Merrill and RBC DS is independent of the Microcell Lenders and the Look Lenders and Microcell is not a connected issuer of either Merrill or RBC DS.

8. Microcell may be considered a connected issuer (as that term is defined in the Proposed Multi-Jurisdictional Instrument 33-105 entitled *Underwriting Conflicts* (the "**Proposed Conflicts Instrument**") of the Underwriters, thus the Underwriters do not comply with the proportionate requirement of the Legislation.

9. Microcell is not a "related issuer" of any of the Underwriters as that term is defined in the Proposed Conflicts Instrument nor is Microcell a "specified party" as that term is defined in the Proposed Conflicts Instrument.

10. Microcell is in good financial condition and is not in default under the Microcell Loan Facilities. Microcell has no direct or indirect investment by way of loan, guarantee or equity ownership in Look and has no intention of making any such investment.

11. The decision to issue the Shares, including the determination of the terms of such distribution was made through negotiations between Microcell and the members of the underwriting syndicate without the involvement of the Related Banks The Microcell Lenders and the Look Lenders did not participate in the decision of Microcell to make the Offering or in the determination of the terms of the distribution or the use of proceeds thereof.

12. As of date hereof, Microcell is neither a "connected issuer" nor a "related issuer" in relation to Merrill and RBC DS. Merrill and RBC DS have agreed to underwrite 27.5% and 10%, respectively, of the Underwritten Offering, have and will participate in the due diligence investigation and will review and participate in the preparation of the preliminary and final short form prospectuses in respect of the Offering. Furthermore, all the underwriters have participated in the process relating to setting and negotiating the price for the Shares to be distributed pursuant to the Offering.

13. The certificate in each of the Preliminary Prospectus and the Prospectus will be signed by each member of the underwriting syndicate including each of the Underwriters.

14. The Underwriters will not benefit in any manner from the Offering other than the payment of their fee in connection with the Underwritten Offering.

15. The disclosure required by Schedule C of the Proposed Conflicts Instrument will be contained in the Preliminary Prospectus and in the Prospectus and the certificate in such prospectus will be signed by each of the Underwriters.

AND WHEREAS pursuant to the Policy 12-201, this Decision Document evidences the decision of each Decision Maker;

AND WHEREAS each Decision Maker is satisfied that conditions or circumstances exist which are required by the Legislation to enable the Decision Maker to make the decision.

AND WHEREAS each Decision Maker is being satisfied to do so would not be prejudicial to the public interest;

IT IS THE DECISION by the Decision Maker pursuant to the Legislation that the Independent Underwriter Requirement shall not apply to the Offering provided that :

1. The independent underwriters Merrill and RBC DS participate in the Offering as stated in paragraph 12above;

2. the Prospectus contains the disclosure stated in paragraph 12 above;

3. the relationship between the Issuer and the member of the underwriting syndicate is disclosed in the Prospectus.

DATED at Montréal, this 17th day of January 2001.

Jean Lorrain
Le directeur de la conformité et de l'application

2.1.23 United Goal Development Ltd. - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications - Cash bid made in Canada - Bid made in accordance with the laws of Hong Kong - *De minimis* exemption unavailable because Hong Kong not recognized jurisdiction in Ontario - Bid exempted from the requirements of Part XX, subject to certain conditions.

Statutes Cited

Securities Act, R.S.O. 1990, c. S.5, as amended, ss. 93(1)(e), 95 to 100 and 104(2)(c).

Recognition Orders Cited

In the Matter of the Recognition of Certain Jurisdictions (Clauses 93(1)(e) and 93(3((h) of Act) (1997) 20 OSCB 1035.

IN THE MATTER OF
THE SECURITIES LEGISLATIONOF
ALBERTA, BRITISH COLUMBIA,
ONTARIO AND QUEBEC

AND

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

AND

IN THE MATTER OF
UNITED GOAL DEVELOPMENT LIMITED

MRRS DECISION DOCUMENT

WHEREAS the local securities regulatory authority or regulator (the "**Decision Maker**") in each of the provinces of Alberta, British Columbia, Ontario and Quebec (the "**Jurisdictions**") has received an application from United Goal Development Limited ("**UGD**") for a decision under the securities legislation of the Jurisdictions (the "**Legislation**") that the formal take-over bid requirements in the Legislation, including the provisions relating to delivery of an offer and take-over bid circular and any notices of change or variation thereto, delivery of a directors' circular and any notices of change or variation thereto, minimum deposit periods and withdrawal rights, take-up of and payment for securities tendered to a take-over bid, disclosure, financing, restrictions upon purchases of securities, identical consideration and collateral benefits (collectively, the "**Take-over Bid Requirements**") do not apply to the proposed take-over bid offer (the "**Offer**") by UGD of all outstanding ordinary/common shares (the "**Asean Ordinary Shares**") of Asean Resources Holdings Limited ("**Asean**") not already owned by UGD;

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

AND WHEREAS UGD has represented to the Decision Makers that:

1. UGD is an international business company incorporated under the laws of the British Virgin Islands. UGD's registered office is located in the British Virgin Islands.

2. UGD's issued share capital as at December 30, 2000 consisted of two ordinary shares.

3. UGD is not a reporting issuer in Ontario, nor is it a reporting issuer or the equivalent in any other jurisdiction in Canada.

4. Asean is a corporation incorporated under the laws of Bermuda. Asean's principal office is located in Hong Kong.

5. Asean's issued share capital as at December 30, 2000 consisted of 1,286,482,836 Asean Ordinary Shares. The Asean Ordinary Shares are listed on the main board of The Stock Exchange of Hong Kong Limited.

6. Asean is not a reporting issuer in Ontario, nor is it a reporting issuer or the equivalent in any other jurisdiction in Canada.

7. The Offer was announced on November 25, 2000 and will be made to the holders of all the outstanding Asean Ordinary Shares not already owned by UGD (the "**Asean Shareholders**"). The Offer is an all cash offer whereby UGD is offering to purchase each Asean Ordinary Share at $0.70 (Hong Kong dollars).

8. The Offer is being made in accordance with the laws of Hong Kong and *The Codes on Takeovers and Mergers and Share Repurchases* (the "**Hong Kong Code**"), and not pursuant to any exemptions from such requirements. The Hong Kong Code is regulated by the Hong Kong Securities and Futures Commission (the "**HKSFC**").

9. Pursuant to the Hong Kong Code, UGD has submitted to the HKSFC for its review and approval an offer document containing the terms and conditions of the Offer and prescribed disclosure (the "**Offer Document**"). The Offer Document will not be mailed by UGD to Asean Shareholders until it is approved by the HKSFC. Pursuant to the Hong Kong Code, the Offer will have to remain open for a minimum of 21 days after the mailing of the Offer Document to Asean Shareholders.

10. There are a total of 18 Asean Shareholders with registered addresses in the Jurisdictions (the "**Canadian Shareholders**"). The Canadian Shareholders hold in the aggregate less than 2% of the issued and outstanding Asean Ordinary Shares as set out below:

Province	Number of Asean Shareholders	Number of Asean Ordinary Shares Held	Approximate Percentage in All Outstanding Asean Ordinary Shares
Ontario	10	9,577	0.0007%
British Columbia	5	8,736	0.0007%
Alberta	2	5,971	0.0005%
Quebec	1	1,800	0.0001%
Total	**18**	**26,084**	**0.002%**

11. UGD cannot rely on the *de minimus* exemption from the Take-over Bid Requirements because the Decision Makers have not recognized Hong Kong for this purpose in the Legislation.

12. The Offer will be made on the same terms and conditions to the Canadian Shareholders as it has been made to all Asean Shareholders, including offering identical consideration.

13. The Offer Document and all other material relating to the Offer, including any amendments, that will be sent by UGD to Asean Shareholders residing outside Canada shall concurrently be sent to the Canadian Shareholders and filed with the Decision Makers.

AND WHEREAS under the System, this MRRS Decision Document evidences the decision of each of the Decision Makers (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 UGD is exempt from the Take-over Bid Requirements in making the Offer to the Canadian Shareholders provided that:

(a) the Offer and all amendments to the Offer are made in compliance with the laws of Hong Kong, including the Hong Kong Code; and

(b) the Offer Document and all other material relating to the Offer, including any amendments, that are sent by or on behalf of UGD to Asean Shareholders residing outside Canada are concurrently sent to the Canadian Shareholders and copies of such material are filed as nearly as practicable contemporaneously with the Decision Maker in each Jurisdiction.

January 22, 2001.

"J. A. Geller" "R. Stephen Paddon"

2.1.24 Western Star Trucks Inc. - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications - Issuer deemed to have ceased to be a reporting issuer following plan of arrangement as issuer has only one equity security holder - Senior Notes outstanding with 15 institutional investors in U.S. Issuer has given notice of mandatory redemption of Senior Notes.

Applicable British Columbia Provisions

Securities Act, R.S.B.C. 1996, c. 418, s. 88.

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

AND

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

AND

IN THE MATTER OF
WESTERN STAR TRUCKS INC.

MRRS DECISION DOCUMENT

WHEREAS the local securities regulatory authority or regulator (collectively, the "Decision Makers") in each of the provinces of British Columbia, Alberta, Saskatchewan, Ontario, Québec, Nova Scotia and Newfoundland (the "Jurisdictions") has received an application from Western Star Trucks Inc. (the "Applicant") for a decision under the securities legislation of the Jurisdictions (the "Legislation") that the Applicant be deemed to have ceased to be a reporting issuer under the Legislation;

AND WHEREAS pursuant to section 3.2 of National Policy 12-201 *Mutual Reliance Review System for Exemptive Relief Applications* (the "System"), the British Columbia Securities Commission is the principal regulator for this application;

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

1. The Applicant was incorporated under the *Company Act* (British Columbia) (the "Company Act") as 395220 British Columbia Ltd. on October 22, 1990 and changed its name to Western Star Trucks Holdings Ltd. ("WSTH") on May 21, 1991; on September 26, 2000, WSTH amalgamated with 596951 B.C. Ltd. (the "Acquiror") and the resulting company amalgamated with Western Star Trucks Inc. on September 27, 2000 to form the Applicant;
2. the registered office of the Applicant is located in Vancouver, British Columbia;
3. the Applicant is a reporting issuer in each of the Jurisdictions;
4. the Applicant is not in default of any of the requirements of the Legislation or any other securities or corporate legislation to which it is subject;
5. WSTH, Freightliner LLC ("Freightliner") and the Acquiror entered into an arrangement agreement dated July 19, 2000 as amended and restated on August 10, 2000, to effect an arrangement under section 252 of the Company Act (the "Arrangement");
6. the authorized capital of WSTH consisted of 30,000,000 shares divided into (i) 25,000,000 common shares (the "Common Shares") and (ii) 5,000,000 preferred shares without par value, issuable in series, of which as of August 4, 2000, 14,450,558 Common Shares and 600,000 preferred shares (the "Preferred Shares") were issued and outstanding;
7. the Arrangement was approved by the security holders of WSTH at a meeting held on September 18, 2000 and a final court order approving the Arrangement was obtained on September 21, 2000 and filed with the Registrar under the Company Act on September 26, 2000 (the "Effective Date");
8. pursuant to the Arrangement, on the Effective Date the Acquiror acquired all of the outstanding Common Shares and Preferred Shares of WSTH for cash and all outstanding options to acquire Common Shares (the "Options") were exchanged by the option holders with WSTH for cash;
9. the authorized capital of the Applicant consists of 20,000,000 shares divided into 10,000,000 common shares and 10,000,000 preferred shares, of which no preferred shares and 1,082,782 common shares are issued and outstanding as of September 27, 2000, all of which are owned, indirectly, by Freightliner;
10. the only other issued and outstanding securities of the Applicant consist of US $110 million principal amount of 8.75% senior notes due May 1, 2007 (the "Notes") issued under an indenture dated May 13, 1997 (the "Indenture") between, among others, WSTH, The Bank of Nova Scotia Trust Company of New York (the "U.S. Trustee") and Montreal Trust Company of Canada (the "Canadian Trustee" and, together with the U.S. Trustee, the "Trustees");
11. the Trustees on behalf of the Applicant issued a notice of redemption on September 26, 2000 calling for the mandatory redemption of the Notes on October 30, 2000;
12. the Applicant has irrevocably deposited with the U.S. Trustee as trust funds an amount sufficient to redeem the Notes in their entirety and all of the Applicant's obligations under the Indenture have been satisfied and discharged and the Indenture has ceased to be of further effect;

13. the Applicant filed with the United States Securities and Exchange Commission two Certifications and Notices on Form 15 to terminate registration of the Notes and Common Shares under the United States Securities Exchange Act of 1934, as amended, and thereby suspended its ongoing reporting obligations under such Act as of September 27, 2000;

14. Freightliner is, indirectly, the only equity security holder of the Applicant and therefore there are fewer than 15 equity security holders whose latest address, as shown on the books of the Applicant, is in any of the Jurisdictions;

15. the only other security holders are 15 institutional investors who hold all of the Notes, each of whose address as shown on the books of Depository Trust Company is in the United States;

16. the Applicant's Common Shares were delisted from the Toronto Stock Exchange on September 27, 2000; trading of the Applicant's Common Shares was suspended on the American Stock Exchange on September 28, 2000 and were delisted from the American Stock Exchange on October 18, 2000;

17. the Applicant no longer has any of its securities listed or quoted on any stock exchange or market and has no current intentions to distribute any securities to the public; and

18. the Applicant does not intend to seek public financing by way of an offering of its securities.

AND WHEREAS under 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 Makers with the jurisdiction to make the Decision has been met;

THE DECISION of the Decision Makers under the Legislation is that the Applicant is deemed to have ceased to be a reporting issuer, or the equivalent, under the Legislation.

November 8, 2000.

"Brenda Leong"
Director

2.1.25 John David Bushell - Director's Decision

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

AND

IN THE MATTER OF THE APPLICATION FOR REGISTRATION OF JOHN DAVID BUSHELL

HEARING BEFORE THE DIRECTOR PURSUANT TO SUBSECTION 26(3) OF THE SECURITIES ACT

Motion Heard: October 12, 2000

Director: William R. Gazzard

John David Bushell: In Person

Staff of the Ontario Securities Commission

Kathryn J. Daniels, Counsel

DIRECTOR'S DECISION

In response to Mr. Bushell's application (OSC Registration File Number 100914) under the Securities Act (Ontario) (the "Act") for registration as a salesperson to act on behalf of Bank of Montreal Investor Services Limited, staff of the Ontario Securities Commission (the "Commission") advised Mr. Bushell, in their letter dated August 24, 2000 that staff were recommending that Mr. Bushell's application for registration be denied on the grounds that he was not suitable for registration.

Bank of Montreal Investor Services Limited is registered under the Act as a "dealer" in the category of "investment dealer".

In staff's letter, Mr. Bushell was advised that, pursuant to subsection 26(3) of the Act, before a decision of the Director would be made in respect of his application for registration, he would have a right to be heard. Mr. Bushell requested that right and a hearing was held before me on October 12, 2000.

At the hearing, I heard testimony from Mr. Bushell and received submissions from Mr. Bushell and from counsel for staff of the Commission.

On the basis of the testimony, and after having considered the submissions, as well as reviewing the transcript of the hearing, it appears to me that the applicant, Mr. John David Bushell, at this time, is not suitable for registration as a salesperson to act on behalf of Bank of Montreal Investor Services Limited.

I therefore refuse the application for registration. My written reasons for this decision will follow.

January 24, 2001.

"William R. Gazzard"

2.1.26 MacDonald Oil Exploration Ltd. et al.

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

AND

IN THE MATTER OF MACDONALD OIL EXPLORATION LTD.,
MACDONALD MINES EXPLORATION LTD.,
MARIO MIRANDA AND FRANK SMEENK

Hearing: **January 12, 2001**

Panel:

John A. Geller, Q.C.	- Commissioner
S. N. Adams, Q.C.	- Commissioner
Robert W. Davis, F.C.A.	- Commissioner

Counsel:

Tim Moseley Janet Holmes Scott Pilkey	- For the Staff of the Ontario Securities Commission
Donald Sheldon	- For the Respondents

DECISIONS AND REASONS
(Delivered Orally)

Reasonable Apprehension of Bias

Mr. Sheldon argued that Commissioner Geller should not sit in these proceedings because the "possibility of the perception of bias or conflict" exists as a result of the following, as stated by him in his letter of January 11, 2001 to the Commission.

> "Mr. Geller had been an advisor to Staff of the Commission in respect of certain legal proceedings brought by Mr. Russell Martel against the Commission and against MacDonald Oil in 1999 following MacDonald Oil's prior bid for Breasea Resources. It is also my understanding that Mr. Geller's son-in-law, Jonathan Lampe, had been an advisor to Staff of the Commission in respect of the adverse position taken by Staff of the Commission against MacDonald Oil in respect of its prior bid for Bresea Resources. In addition, I have since been informed that Mr. Geller was a participant in certain events resulting in the issuance of the Temporary Orders referred to in paragraphs 76, 77 and 78 of the Statement of Allegations".

In our view, the question is not whether there is a "possibility of the perception of bias or conflict". Anything is possible. The test enunciated by the courts is whether there is a "reasonable apprehension of bias". No actual bias is alleged.

We believe that the Commission's decision in *In the Matter of Terence Edward Robinson et al.* (1993) 16 O.S.C.B. 6173 contains a helpful review of what constitutes a reasonable apprehension of bias in the case of a tribunal such as the Commission. At p. 6178, the Commission said the following:

> "In determining whether a reasonable apprehension of bias exists in the circumstances before us, we reviewed the discussion of what constitutes a reasonable apprehension of bias in the case of *Committee for Justice and Liberty et al. v. National Energy Board* (1978), 68 D.L.R. (3d) 716. In that case, one of the tests used of what constitutes a reasonable apprehension of bias is what would an informed person viewing the matter realistically and practically -- and having thought the matter through -- conclude? Would such person think it is more likely than not that [the tribunal], whether consciously or unconsciously, would not decide fairly?

As stated by de Grandpré J. in the *National Energy Board* case referred to earlier in the decision, the question of bias in a member of an administrative tribunal entrusted by statute with an administrative discretion exercised in the light of its experience and of that of its technical advisers cannot be judged in the same light as the question of bias in a member of a Court of Justice. Although the basic principles are the same - namely, that natural justice be rendered - the application of these principles must take into consideration the special circumstances of the administrative tribunal. De Grandpré J. then quotes the following statement made in the text by Reid, *Administrative Law and Practice* (1971), page 220:

> ..."tribunal" is a basket word embracing many kinds and sorts. It is quickly obvious that a standard appropriate to one may be inappropriate to another. Hence, facts which may constitute bias in one, may not amount to bias in another.

and goes on to state that the test must, therefore, take into consideration the broad functions entrusted by law to the administrative tribunal. He states that, in hearing the objections of interested parties and in performing its statutory function, the administrative tribunal has the duty to establish a balance between the administration of policies that they are duty bound to apply and the protection of the various interests spelled out in their constating Act. The decision to be made by the administrative tribunal transcends the interest of the parties and involves the public interest at large.

The case of *Brosseau v. Alberta Securities Commission (1989)*, 67 D.L.R. (4th) 458 discussed at some length the application of the above principles to the broad functions entrusted to administrative tribunals such as the Commission. In that case it was contended that a reasonable apprehension of bias arose by reason of the fact that the Chairman of the Alberta Securities Commission, who had received the investigative report, was also designated to sit on the panel at the hearing of the matter.

The Plaintiff in the *Brosseau* case objected to the Chairman's participation at both the investigatory and adjudicatory levels on the basis that a reasonable apprehension of bias was created by reason of the Chairman acting as adjudicator in the same case in which he had participated in the investigatory process. The Court, in commenting on this, noted that as a general principle, this is not permitted in law because the taint

of bias would destroy the integrity of proceeedings conducted in such a manner but that there were exceptions. One exception is where the overlap of functions which occurs has been authorized by statute, assuming that the constitutionality of the statute is not in issue.

L'Heureux-Dubé J. states at page 464 that:

> Administrative tribunals are created for a variety of reasons and to respond to a variety of needs. In establishing such tribunals, the legislator is free to choose the structure of the administrative body. The legislator will determine, among other things, its composition and the particular degrees of formality required in its operation. In some cases, the legislator will determine that it is desirable, in achieving the ends of the statute, to allow for an overlap of functions which in normal judicial proceedings would be kept separate. In assessing the activities of administrative tribunals, the courts must be sensitive to the nature of the body created by the legislator. If a certain degree of overlapping of functions is authorized by statute, then, to the extent that it is authorized, it will not generally be subject to the doctrine of "reasonable apprehension of bias" *per se*.

At page 466, L'Heureux-Dubé J. states:

> Certain other factors should be taken into consideration along with the question of statutory authorization. For example, in a specialized body such as the Securities Commission, it is more than likely that the same decision-makers will have repeated dealings with a given party on a number of occasions and for a variety of reasons. It is hardly surprising, given the fact that there is only one Alberta Securities Commission, that the Commission in this case was required to deal with many aspects of the failure of Dial over a period of years.
>
> Securities commissions by their nature, undertake several different functions. They are involved in overseeing the filing of prospectuses, regulating the trade in securities, registering persons and companies who trade in securities, carrying out investigations and enforcing the provisions of the Act. By their nature, they will have repeated dealings with the same parties. The dealings could be in an administrative or adjudicative capacity. When a party is subjected to the enforcement proceedings contemplated by s. 165 or 166 of the Act, that party is given an opportunity to present its case in a hearing before the Commission, as was done in this case. The Commission both orders the hearing and decides the matter. Given the circumstances, it is not enough for the appellant to merely claim bias because the Commission, in undertaking this preliminary internal review, did not act like a court. It is clear from its empowering legislation that, in such circumstances, the Commission is not meant to act like a court, and that certain activities which might otherwise be considered "biased" form an integral part of its operations. A s. 28 investigation is of a different nature from this type of proceeding.

Securities Acts in general can be said to be aimed at regulating the market and protecting the general public. This role was recognized by this court in *Gregory & Co. Inc. v. Quebec Securities Com'n* (1961), 28 D.L.R. (2d) 721 at p.725, [1961] S.C.R. 584 at p.588, where Fauteux J. observed:

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

This protective role, common to all securities commissions, gives a special character to such bodies which must be recognized when assessing the way in which their functions are carried on under their Acts.

The special circumstances of the tribunal in this case are substantially the same as those in the case of *Re W.D. Latimer Co. Ltd. and A.-G. Ont. supra*. In the Supreme Court of Ontario, Divisional Court, Wright J. made the following observation at p. 71 D.L.R., p. 404 O.R.:

> What fair play is in particular circumstances, and whether and how the power of the Courts to enforce it should be exercised are what the Court must decide. It must on the one hand see that the citizen is not unfairly dealt with or put in a position of potential unjustified peril at the hands of some person or body exercising jurisdiction. It must on the other hand see that such persons or bodies seeking to perform their public duty are not unduly hampered in their work and that the purpose of the Legislature, if it be the source of their jurisdiction, is respected and realized as it has been expressed.

The particular structure and responsibilities of the Commission must be considered in assessing allegations of bias. Upon the appeal of *Latimer* to the Ontario Court of Appeal, Dubin J.A., for a unanimous court, dismissed the complaint of bias. He acknowledged that the Commission had a responsibility both to the public and to its registrants. He wrote at p. 167 D.L.R., p. 135 O.R.:

> ... I view the obligation of the Commission towards its registrants as analogous to a professional body dealing in disciplinary matters with its members. The duty imposed upon the Commission of protecting members of the public from the misconduct of its registrants is, of course, a principal object of the statue, but the obligation of the Commission to deal fairly with those whose livelihood is in its hands is also by statute clearly placed upon it, and nothing is to be gained, in my opinion, by placing a priority upon one of its functions over the other.

> Dubin J.A. found that the structure of the Act whereby commissioners could be involved in both the investigatory and adjudicatory functions did not, by itself, give rise to a reasonable apprehension of bias.
>
> I am in agreement with this proposition. So long as the chairman did not act outside of his statutory authority, and so long as there is no evidence to show involvement above and beyond the mere fact of the chairman's fulfilling his statutory duties, a "reasonable apprehension of bias" affecting the Commission as a whole cannot be said to exist."

In the Matter of Marchment and Mackay Limited et al (1996), 19 O.S.C.B. 6163, the Commission said the following:

> "It was argued by the Respondents that the enactment by the Legislature of subsection 3(3) of the *Securities Act*, providing that a Commissioner who exercises any of the powers or performs any of the duties of the Commission under Part VI of the Act in respect of a matter under investigation or examination shall not sit on a hearing that deals with the matter, in effect overrules *Latimer*. We do not agree. The Legislature chose to restrict the prohibition narrowly to a Commissioner who makes determinations in Part VI proceedings, and did not choose to deal as well with the many other ways in which a Commissioner could obtain information relevant to a hearing. In our view the enactment in no way undercuts the essential holding of *Latimer* and *Brosseau* allowing considerable latitude in matters of this sort to securities commissions.
>
> In any event, the real question which we must determine is what would an informed person viewing the matter realistically and practically -- and having thought the matter through -- conclude? Would such person think that it is more likely than not that one of the impugned Commissioners, whether consciously or unconsciously, would not decide fairly?"

The Commission went on to say:

> Both the Manning Commissioners and the Marchment I Commissioners, like judges and members of many other tribunals, are quite capable of excluding from their consideration irrelevant or improper evidence, and evidence heard by them in other proceedings or information obtained by them in other contexts. This is, we think, recognized in *Latimer* and *Brosseau*. As was said by O'Leary, J., giving the decision of the Divisional Court in *Gaudet v. Ontario Securities Commission* (1990), 13 OSCB 4799,
>
> > "The request of the Appellant can only be granted if there is danger that publication [of statements of agreed facts] will prejudice a fair trial of the Appellant either in Provincial Court or before the Commission. We are of the view that Provincial Court judges and the Commission are not only aware of the necessity of trying matters before them on the evidence, but invariably demonstrate their ability to do so. Accordingly, there is no reason to fear that they will be prejudiced by what is contained in the statements in question should they be published."

We adopt the reasoning in these two Commission decisions:

In our view, an informed person viewing the matter realistically and practically, and having thought the matter through, would not conclude that it was more likely than not that Commissioner Geller, whether consciously or unconsciously, would not decide fairly as a result of his previous involvements with matters concerning the Respondents.

As regards Mr. Lampe's advising Staff in respect of a previous matter involving the Respondents, section 4.3(a) of the Commission's By-Law No. 2 provides that no member of the Commission shall participate in a proceeding if such member has any continuing material relationship with anyone representing or otherwise associated with a party to such proceeding. Mr. Lampe does not have such an involvement in these proceedings.

In our view, no reasonable apprehension of bias on Commissioner Geller's part can arise from Mr. Lampe's advising Staff in respect of a previous matter involving the Respondents.

When an allegation of a reasonable apprehension of bias is raised against a Commissioner, the easy way out would be for the Commissioner to withdraw from the proceedings, but, in our view, this is not the correct course where, as in this matter, the allegation is not supported by the facts or the law.

Accordingly, we conclude that there is no reason why Commissioner Geller should not continue to sit in these proceedings.

Settlement Agreement

What the Respondents have admitted to is a litany of failures to comply with Ontario securities law. It appears to us that the Respondents either did not take the trouble to find out what their legal obligations under Ontario securities law were or that they knew and did not care. In either case, this is hardly what the Commission and the marketplace are entitled to expect from companies accessing the capital markets of this Province, and from the persons who run such companies. "Skofflaws" are a serious danger to the marketplace. So are people who act with a reckless disregard for the rules. However, there is no allegation of fraud or personal gain.

The question which we must answer is whether the sanctions provided for in the Settlement Agreement are necessary and sufficient to provide a reasonable assurance that actions of this sort will not be repeated by the Respondents, and a message to others that actions of this sort will not be tolerated.

The Respondents have already taken some steps to "clean up their acts". If we approve the settlement agreement, the proposed independent review of MacDonald Oil's practices, and its agreement to implement resulting recommendations, will provide additional assurance. Messrs. Miranda and Smeenk will be restricted in acting as officers or in certain other capacities with Macdonald Oil for a period, and will be subject to cease trade orders for a period. The Respondents

will be reprimanded, and will contribute towards the costs of these proceedings, and of Staff's investigation.

We take into account the fact that the Respondents have admitted their breaches of Ontario securities law, and have agreed to the imposition of these sanctions.

We conclude that the proposed sanctions are adequate in the circumstances, but no more than adequate.

We approve the settlement agreement and will sign the requested order.

The Respondents are reprimanded. There is really no excuse for their actions.

January 12, 2001.

"John A. Geller" "Stephen N. Adams"

"Robert W. Davis"

2.2 Orders

2.2.1 ScotiaMcLeod & Pinnacle Funds - ss. 59(1)

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 (the "Act")

AND

IN THE MATTER OF SCOTIAMCLEOD

AND

PINNACLE AMERICAN VALUE EQUITY FUND PINNACLE AMERICAN LARGE CAP GROWTH EQUITY FUND PINNACLE AMERICAN MID-CAP GROWTH EQUITY FUND PINNACLE INTERNATIONAL EQUITY FUND PINNACLE GLOBAL EQUITY FUND

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

UPON the application (the "Application") of ScotiaMcLeod ("Scotia"), a division of Scotia Capital Inc., the manager and trustee of the Pinnacle RSP American Value Equity Fund, Pinnacle RSP American Large Cap Growth Equity Fund, Pinnacle RSP American Mid-Cap Growth Equity Fund, Pinnacle RSP International Equity Fund, Pinnacle RSP Global Equity Fund and other similar mutual funds established by Scotia from time to time, (collectively, the "Top Funds") and Pinnacle American Value Equity Fund, Pinnacle Large Cap Growth Equity Fund, Pinnacle American Mid-Cap Growth Equity Fund, Pinnacle International Equity Fund, Pinnacle Global Equity Fund and other similar mutual funds established by Scotia from time to time (collectively, 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 paying duplicate filing fees on an annual basis in respect of the distribution of units of the Underlying Funds to the Top Funds, the distribution of units of the Underlying Funds to Counterparties (defined herein) with whom the Top Funds have entered into forward contracts and on the reinvestment of distributions on such units;

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

AND UPON Scotia having represented to the Commission that:

1. Scotia is the trustee and manager of the Top Funds and the Underlying Funds. Scotia is a corporation incorporated under the laws of Ontario.

2. Each of the Top Funds and the Underlying Funds is or will be an open-ended mutual fund trust established under the laws of Ontario.

3. The units of the Top Funds and the Underlying Funds are or will be qualified for distribution pursuant to simplified prospectuses and annual information forms filed across Canada.

4. Each of the Top Funds and Underlying Funds is or will be a reporting issuer under the securities laws of each of the provinces and territories of Canada. None of the existing Top Funds or Underlying Funds is in default of any requirements of the securities legislation, regulations or rules applicable in each of the provinces and territories of Canada.

5. As part of their investment strategy, the Top Funds enter into forward contracts with one or more financial institutions (the "Counterparties") that link the returns to an Underlying Fund.

6. A Counterparty may hedge its obligations under a forward contract by investing in units (the "Hedge Units") of the applicable Underlying Fund.

7. As part of its investment strategy, each Top Fund may purchase units of the Underlying Funds (the "Fund on Fund Investments").

8. Applicable securities regulatory approvals for the Fund on Fund Investments and the Top Funds' investment strategies have been obtained, where necessary.

9. Annually, each Top Fund will be required to pay filing fees to the Commission in respect of the distribution of its units in Ontario pursuant to section14 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. Annually, each Underlying Fund will be required to pay filing fees to the Commission in respect of the distribution of its units in Ontario, including units issued to the Top Funds, 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.

11. A duplication of filing fees pursuant to Section14 of Schedule I of the Regulation may result when:

(a)assets of a Top Fund are invested in an Underlying Fund; (b) Hedge Units are distributed; and (c) a distribution is paid by an Underlying Fund on units of the Underlying Fund held by a Top Fund or Hedge Units which are reinvested in additional units of the Underlying Fund ("Reinvested Units").

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 duplicate 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 Top Funds, the distribution of Hedge Units to Counterparties and the distribution of Reinvested Units, provided that each Underlying Fund shall include in its notice filed under subsection14(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 distributed to the Top Funds; (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.

January 9, 2001.

"J.A. Geller" "Stephen N. Adams"

2.2.2 A.R.C Resins - ss. 144 (1)

Headnote

Section 144 - revocation of cease trade order since issuer is now a wholly-owned subsidiary, has no public security holders, and has applied to cease to be a reporting issuer.

Statutes Cited

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

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

AND

IN THE MATTER OF A.R.C. RESINS INTERNATIONAL CORP.

ORDER
(Subsection 144(1))

WHEREAS the securities of A.R.C. Resins International Corp. ("ARC") are subject to a Temporary Order of the Director dated June 6, 1997 made under the clause 127(1)2 and subsection 127(5) of the Act directing that trading in the securities of ARC cease, which was extended by the Order of the Director dated June 18, 1997 made under subsection 127(8) of the Act (collectively referred to as the "Cease Trade Order");

AND WHEREAS ARC has made application to the Commission pursuant to section 144 of the Act for an order revoking the Cease Trade Order;

AND WHEREAS on October 26, 2000 the Commission made an order to partially revoke the Cease Trade Order pursuant to section 144 of the Act;

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

AND UPON ARC having represented to the Commission as follows:

1. ARC was incorporated under the *Company Act* (British Columbia) on October 22, 1984 under the name 284003 BC Ltd.; changed its name, on November 15, 1984 to Candorado Mines Ltd. and further changed its name to A.R.C. Resins International Corp. on December 10, 1993.

2. ARC is a reporting issuer under the Act and has been a reporting issuer under the Act since receiving a receipt from the Commission dated October 21, 1994 for a prospectus.

3. The authorized capital of ARC consists of:

   101,000,000 shares divided into:

(a) 100,000,000 common shares without par value, of which 31,187,663 common shares are issued and outstanding; and

(b) 1,000,000 preferred shares with a par value of $1.00 per share, of which none are issued and outstanding.

4. ARC is in good standing, up-to-date with its continuous disclosure obligations and is not in default of any requirement of the Act or rules or regulations made thereunder.

5. It is expected that prior to December 31 , 2000, 3iO Corp. ("3iO"), a wholly-owned subsidiary of Tembec Industries Inc. ("Tembec"), a major Canadian forest products company whose securities are listed on The Toronto Stock Exchange, will acquire all of the issued and outstanding shares of ARC under a plan of arrangement effected under section 252 of the *Company Act* (British Columbia).

6. On or before February 28, 2001, ARC will apply to be deemed to have ceased to be a reporting issuer pursuant to section 83 of the Act.

AND WHEREAS the Director is satisfied that to make the following order would not be contrary to the public interest;

IT IS ORDERED, pursuant to subsection 144(1) of the Act, that provided that a wholly-owned subsidiary of Tembec acquires all of the issued and outstanding shares of ARC, the Cease Trade Order be and it is hereby revoked.

December 28, 2000.

John Hughes
Manager, Corporate Finance

2.2.3 A.R.C Resins (Partial Revocation Order) - s.144

Headnote

Section 144 - partial revocation of cease trade order to permit shares of issuer to be acquired by senior issuer pursuant to an arrangement.

Statutes Cited

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

Regulations Cited

Regulation made under the Securities Act, R.R.O. 1990, Reg. 1015 as am.

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

AND

**IN THE MATTER OF
A.R.C. RESINS INTERNATIONAL CORP.**

PARTIAL REVOCATION ORDER UNDER SECTION 144

WHEREAS the securities of A.R.C. Resins International Corp. ("ARC") are subject to a Temporary Order of the Director dated June 6, 1997 made under the clause 127(1)2 and subsection 127(5) of the Act directing that trading in the securities of ARC cease, which was extended by the Order of the Director dated June 18, 1997 made under subsection 127(8) of the Act (collectively referred to as the "Cease Trade Order");

AND WHEREAS ARC has made application to the Commission pursuant to section 144 of the Act for an order to partially revoke the Cease Trade Order;

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

AND UPON ARC having represented to the Commission as follows:

1. ARC was incorporated under the *Company Act* (British Columbia) on October 22, 1984 under the name 284003 BC Ltd.; changed its name, on November 15, 1984 to Candorado Mines Ltd. and further changed its name to A.R.C. Resins International Corp. on December 10, 1993.

2. ARC is a reporting issuer under the Act and has been a reporting issuer under the Act since receiving a receipt from the Commission dated October 21, 1994 for a prospectus.

3. The authorized capital of ARC consists of:

101,000,000 shares divided into:

(a) 100,000,000 common shares without par value, of which 31,187,663 common shares are issued and outstanding; and

(b) 1,000,000 preferred shares with a par value of $1.00 per share, of which none are issued and outstanding.

4. ARC has not been the subject of any cease trade order issued by the Commission, prior to the Cease Trade Order.

5. ARC is in good standing, up-to-date with its continuous disclosure obligations and is not in default of any requirement of the Act or rules or regulations made thereunder.

6. Tembec Inc. ("Tembec"), a major Canadian forest products company whose securities are listed on The Toronto Stock Exchange has agreed in an acquisition agreement (the "Acquisition Agreement") to acquire all the issued and outstanding shares of ARC under a plan of arrangement to be effected under section 252 of the *Company Act* (British Columbia) (the "Plan").

7. ARC requires the partial revocation order to allow it to mail an information circular to its shareholders, to hold a meeting to seek shareholder approval for the Plan and to take such other actions as may be reasonably required to give effect to the Plan and the Acquisition Agreement.

AND WHEREAS the Director is satisfied that to make the following order would not be contrary to the public interest;

NOW THEREFORE it is ordered under section 144 of the Act that the Cease Trade Order is partially revoked for the purposes only of enabling ARC, its directors, officers and shareholders and Tembec to engage in such acts as may be reasonably required to give effect to the Plan and the Acquisition Agreement.

October 26, 2000.

"John Hughes"

2.2.4 Plazacorp Retail Properties Ltd.- ss. 83.1(1)

Headnote

Subsection 83.1(1) - issuer deemed to be reporting issuer in Ontario - listed for more than 12 months on CDNX.

Statutes Cited

Securities Act, R.S.O. 1990, c.S.5, as am. s, 83.1(1).

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

AND

IN THE MATTER OF PLAZACORP RETAIL PROPERTIES LTD.

ORDER (Subsection 83.1(1))

UPON the application of Plazacorp Retail Properties Ltd. ("Plazacorp") for an order pursuant to subsection 83.1(1) of the *Act* deeming Plazacorp to be a reporting issuer for the purposes of Ontario securities law;

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

AND UPON Plazacorp representing to the Commission as follows:

1. Plazacorp is a corporation governed by the New Brunswick *Business Corporations Act* (the "NBBCA") and was formed by the amalgamation (the "Amalgamation") of Plazacorp Retail Properties Ltd. ("Former Plazacorp") and Plazafund Retail Properties Ltd. ("Plazafund") on November 1, 1999.

2. Plazacorp's head office is located in Fredericton, New Brunswick.

3. Former Plazacorp became a reporting issuer under the *Securities Act* (Alberta) (the "Alberta Act") on June 23, 1999.

4. Former Plazacorp completed its Major Transaction, as defined in Alberta Securities Commission Rule 46-501 (the "Alberta JCP Rule"), consisting of the Amalgamation on November 1, 1999.

5. In connection with the Amalgamation, Plazacorp prepared and sent to its shareholders, and filed with the appropriate securities regulatory authorities, a management proxy circular (the "Circular") containing prospectus-level disclosure with respect to the business and affairs of Former Plazacorp and Plazafund and the Major Transaction.

6. Plazacorp became a reporting issuer under the Alberta Act by virtue of the Amalgamation and the definition of a "reporting issuer" in the Alberta Act. Plazacorp became a reporting issuer under the *Securities Act*

(British Columbia) (the "*B.C. Act*") on November 29, 1999 as a result of the merger of the Vancouver Stock Exchange and the Alberta Stock Exchange to form the Canadian Venture Exchange ("CDNX").

7. The continuous disclosure materials filed by Plazacorp (and its predecessors) under the *Alberta Act* since June 23, 1999 and under the *B.C. Act* since November 29, 1999, are available on the System for Electronic Document Analysis and Retrieval.

8. The continuous disclosure requirements of the *Alberta Act* and the *B.C. Act* are substantially the same as the requirements under the *Act*.

9. The authorized share capital of Plazacorp consists of an unlimited number of common shares and an unlimited number of preference shares issuable in a series, of which, as of the date hereof, 20,401,568 common shares (the "Common Shares") are issued and outstanding. As of November 21, 2000, there were an aggregate of 450,000 options and no warrants to purchase Common Shares issued and outstanding.

10. The Common Shares are listed on the CDNX.

11. Plazacorp is deemed or declared to be a reporting issuer or public company under the securities legislation of Nova Scotia, Quebec and Saskatchewan pursuant to a ruling dated September 8, 2000 under the Mutual Reliance Review System for Exemptive Relief Applications.

12. Plazacorp is not in default of any requirements of the securities legislation of any of the jurisdictions where it is or is deemed or declared to be a reporting issuer or of any requirements of CDNX.

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

IT IS HEREBY ORDERED pursuant to subsection 83.1(1) of the Act that Plazacorp be deemed a reporting issuer for the purposes of Ontario securities law.

January 16, 2001.

"J. A. Geller" " R. Stephen Paddon"

2.2.5 Optima Strategy Pools - ss. 62(5)

Headnote

Lapse date extension with cancellation rights imposed as a condition.

Statutes Cited

Securities Act (Ontario), R.S.O. 1990 c.S.5, as am. ss. 62(5).

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

AND

IN THE MATTER OF

OPTIMA STRATEGY CASH MANAGEMENT POOL
OPTIMA STRATEGY SHORT TERM INCOME POOL
OPTIMA STRATEGY CANADIAN FIXED INCOME POOL
OPTIMA STRATEGY GLOBAL FIXED INCOME POOL
OPTIMA STRATEGY RSP GLOBAL FIXED INCOME POOL
OPTIMA STRATEGY CANADIAN EQUITY VALUE POOL
OPTIMA STRATEGY US EQUITY VALUE POOL
OPTIMA STRATEGY RSP US EQUITY DIVERSIFIED POOL
OPTIMA STRATEGY INTERNATIONAL EQUITY DIVERSIFIED POOL
OPTIMA STRATEGY RSP INTERNATIONAL EQUITY DIVERSIFIED POOL
OPTIMA STRATEGY REAL ESTATE INVESTMENT POOL
(individually, a "Pool" and collectively, the "Pools")

ORDER
(Subsection 62(5))

UPON an application (the "Application") from Assante Asset Management Ltd. ("AAM") and the Pools (collectively, the "Filer") for an order pursuant to subsection 62(5) of the Act that the time limit referred to under subsection 62(2)(c) of the Act be extended to December 5, 2000;

AND UPON the Filer having represented that:

1. AAM is a corporation incorporated under the laws of Manitoba. AAM is the manager and promoter of each of the Pools. The head office of AAM is located in Manitoba.

2. The Pools are open-ended mutual fund trusts existing under the laws of Manitoba.

3. Each of the Pools is a "reporting issuer" (or equivalent) under the Act and is not in default of any requirements under the Act or the regulations thereto.

4. Units of the Pools are presently offered for sale on a continuous basis in each province and territory in Canada pursuant to a simplified prospectus dated July 14, 1999 (the "Subject Prospectus") for which a receipt was issued in Manitoba on July 19, 1999.

5. Units of the Optima Strategy Canadian Equity Small Cap Pool (the "Small Cap Pool") are offered pursuant to a simplified prospectus (the "Small Cap Prospectus") dated January 10, 2000 for which a receipt was issued in Manitoba on January 17, 2000.

6. Units of the Optima Strategy Canadian Equity Growth Pool, Optima Strategy Canadian Equity Diversified Pool, Optima Strategy US Equity Growth Pool, Optima Strategy US Equity Diversified Pool, Optima Strategy International Equity Growth Pool and Optima Strategy International Equity Value Pool (the "Partner Pools") are offered pursuant to a prospectus (the "Partner Prospectus") dated April 27, 2000 for which a receipt was issued in Manitoba on April 28, 2000.

7. Pursuant to a Mutual Reliance Review System Decision Document dated July 4, 2000, the lapse date for distribution of units of the Pools under the Subject Prospectus was extended to October 31, 2000.

8. The requested extension to the time limit for the issuance of a receipt is necessary to allow sufficient time for AAM to assemble further information, consider existing precedents and prepare disclosure so as to comply with the plain language and other requirements contained in National Instrument 81-101 in connection with the *pro forma* and renewal simplified prospectuses and annual information forms (the "Renewal Prospectus") filed with the securities regulatory authorities in each province and territory in Canada within the applicable time limits.

9. Units of the Pools, the Small Cap Pool and the Partner Pools will be offered pursuant to the Renewal Prospectus.

10. Since the respective dates of the Subject Prospectus, the Small Cap Prospectus and the Partner Prospectus (collectively the "Prospectuses"), no material changes have occurred and no amendments to any of the Prospectuses have been made.

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

IT IS ORDERED pursuant to subsection 62(5) of the Act that the time limit referred to under subsection 62(2)(c) of the Act relating to a receipt for the Renewal Prospectus is hereby extended to December 5, 2000, provided that:

(a) all unitholders of record of the Pools who purchased units of a Pool after November 20, 2000 and before the date of this decision (the "Affected Unitholders") are provided with the right (the "Cancellation Right") to cancel such trades within 20 business days of receipt of a statement (the "Statement") describing the Cancellation Right and to receive, upon the exercise of the Cancellation Right, the purchase price paid on the acquisition of such units and all fees and expenses incurred in effecting such purchase (the net asset value per unit on the date of such a purchase by an Affected Unitholder is hereinafter defined as the "Purchase Price per Unit");

(b) the Pools mail the Statement and a copy of this decision to Affected Unitholders no later than December 5, 2000; and

(c) if the net asset value per unit of the relevant Pool on the date that an Affected Unitholder exercises the Cancellation Right is less than the Purchase Price per Unit, AAM shall reimburse the Pool the difference between the Purchase Price per Unit and the net asset value per unit on the date on which such Affected Unitholder exercises the Cancellation Right.

November 23, 2000.

Paul A. Dempsey
Assistant Manager/Senior Legal Counsel
Investment Funds, Capital Markets

2.3 Rulings

2.3.1 Regis Corporation et al. - ss. 42(1)

Headnote

Subsection 74(1) - Registration and prospectus relief granted in respect of trades of common shares of non-reporting U.S. issuer upon the exercise of various rights attached to exchangeable securities issued by Canadian subsidiaries of U.S. issuer - first trade relief provided in certain circumstances

Statutes Cited

Securities Act, R.S.O. 1990, c.S.5, as am. ss. 25, 53, 72(5) and 74(1).

Regulations Cited

Regulation made under the Securities Act, R.R.O. 1990, Reg. 1015, as am.

Policies Cited

Ontario Securities Commission Rule 45-501 - Exempt Distributions

Ontario Securities Commission Rule 72-501 - Prospectus Exemption for First Trade over a Market Outside Ontario

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

AND

IN THE MATTER OF REGIS CORPORATION, 32246 YUKON INC., AND 32257 YUKON INC.

AND

FIRST CHOICE HAIRCUTTERS LTD. AND FIRST CHOICE HAIRCUTTERS CANADA INC.

RULING
Subsection 74(1)

UPON the application of Regis Corporation ("Regis"), its wholly-owned subsidiary 32246 Yukon Inc.("32246") and the wholly-owned subsidiary of 32246, 32257 Yukon Inc. ("Acquisitionco"), to the Ontario Securities Commission (the "Commission") for a ruling, pursuant to subsection 74(1) of the Act, that certain trades in securities made in connection with the acquisition (the "Transaction") of all of the issued and outstanding shares of First Choice Haircutters Ltd. ("FCH Ltd.") and First Choice Haircutters Canada Inc. ("FCH Canada"), (hereinafter FCH Ltd. and FCH Canada are together referred to as the "Targets") pursuant to a purchase agreement (the "Purchase Agreement") dated as of October 3, 2000 among Regis, Acquisitionco, 32246 and the shareholders of the Targets, being Doris Cowan ("Doris"), Allen Buddy Cowan ("Bud"), The Allen B.Cowan Family Trust I ("Trust 1"), The First Choice Share Trust ("FCH Trust"), The Amie Marie Cowan Trust ("Amie Trust"), The Shawn Dustin Cowan Trust ("Shawn Trust"), 1285379 Ontario Inc. ("128") and 1338674 Ontario Limited ("133"), (hereinafter all of the shareholders are sometimes collectively referred to as the "Vendors"), shall not be subject to section 25 or 53 of the Act;

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

AND UPON Regis, 32246 and Acquisitionco having represented to the Commission as follows:

1. Regis is a corporation organized under the laws of the state of Minnesota.

2. The shares of common stock of Regis (the "Regis Common Shares") are quoted and traded on NASDAQ. Regis is subject to the informational requirements of the United States *Securities and Exchange Act* of 1934, as amended (the "Exchange Act"). Regis is not a "reporting issuer" under the Act or under the securities legislation of any other province of Canada.

3. Regis through its wholly and partially owned subsidiaries, operates a series of corporately owned and franchised hair salons under the trade-marks and trade-names "Supercuts", "Master Cuts", "Hair Masters", "Regis Salons", "SmartStyle", "Cost Cutters", "City Looks", and "Trade Secret" and related trade-marks and trade-names from its executive offices in the City of Minneapolis, Minnesota.

4. As of November 17, 2000, the authorized capital stock of Regis consisted of 100,000,000 Regis Common Shares of which 40,770,863 Regis Common Shares were issued and outstanding.

5. Acquisitionco was incorporated under the laws of the Yukon Territory on September 29, 2000 and has a registered office in the city of Minneapolis.

6. Acquisitionco is a "private issuer" as defined in Rule 45-501 of the Commission (a "private issuer") and is not a "reporting issuer" under the Act or under the securities legislation of any other province in Canada.

7. Acquisitionco is a wholly owned subsidiary of 32246 a corporation organized under the laws of the Yukon Territory. 32246 is a private issuer, is a wholly owned subsidiary of Regis and is not a reporting issuer in any jurisdiction. 32246's executive offices are located at Regis's offices in the city of Minneapolis.

8. The authorized capital of Acquisitionco consists of 100,000 common shares and an unlimited number of exchangeable shares (the "Exchangeable Shares") exchangeable for Regis Common Shares, of which one common share and 269,296 Exchangeable Shares are issued and outstanding as of the date hereof.

9. FCH Ltd. is a private issuer incorporated under the laws of the province of Ontario, and is not a reporting issuer in any jurisdiction. FCH Ltd. operates a series of corporately-owned and franchised hair salons under the trade-mark "First Choice Haircutters" and related trade-

marks and trade-names. FCH Ltd.'s executive offices are located in Toronto.

10. The authorized capital of FCH Ltd. consists of an unlimited number of Class A special shares, an unlimited number of Class B special shares, an unlimited number of Class C1 special shares, an unlimited number of Class C2 special shares an unlimited number of Class D Special Shares and an unlimited number of common shares of which 1,791,146 common shares and 54,786 Class A shares (collectively, the "FCH Ltd. Shares") were issued and outstanding as of November 17, 2000.

11. FCH Canada is a private issuer incorporated under the laws of the province of Ontario, and is not a reporting issuer in any jurisdiction. FCH Canada operates a series of corporately-owned and franchised hair salons under the trade-mark "First Choice Haircutters" and related trade-marks and trade-names. FCH Canada's executive offices are located in Toronto.

12. The authorized capital of FCH Canada consists of an unlimited number of common shares, an unlimited number of Class A shares and an unlimited number of Class B shares, of which 1,003,308 common shares, 92,193 Class A shares and 68,210 Class B shares (collectively, the "FCH Canada Shares) were issued and outstanding as of November 17, 2000.

13. Pursuant to the Purchase Agreement, Acquisitionco purchased all of the FCH Ltd. Shares and FCH Canada Shares from the Vendors, all of whom are residents of the province of Ontario, for a total purchase price of approximately US$12,874,726 as follows:

    a. On closing, which occurred on October 3, 2000, Acquisitionco made a total cash payment of US$7,669,726 and issued a total of 269,296 Exchangeable Shares having a currently estimated value of US$3,942,500. The value of the Exchangeable Shares is based on the Regis Closing Share Price of Regis Common Shares. The "Regis Closing Share Price", for purposes of the Purchase Agreement and this Ruling, means the average trading price on NASDAQ, in U.S. dollars, per share in the Regis Common Shares calculated based on the closing price of the Regis Common Shares for the 5 Trading Days immediately prior to the closing of the Transaction. "Trading Day" is defined for purposes of the Purchase Agreement and this application as any day on which NASDAQ is open for regular trading.

In respect of the FCH Ltd. Shares:

Name of Vendor	Amount of Cash Payment	Number of Exchangeable Shares
Doris	US$1,272,705	NIL
Trust 1	US$500,519	NIL
FCH Trust	US$34,974	NIL
128	US$4,180,823	134,648
Subtotal	US$5,989,020	134,648

In respect of the FCH Canada Shares:

Name of Vendor	Amount of Cash Payment	Number of Exchangeable Shares
Bud	US$164,823	NIL
Amie Trust	US$169,161	NIL
Shawn Trust	US$169,161	NIL
FCH Trust	US$29,038	NIL
Subtotal	US$1,680,706	134,648
Total	US$7,669,726	269,296

    b) 106,643 of the 269,296 Exchangeable Shares having a value of US$1,561,250, which Exchangeable Shares are being held in escrow and will be delivered to 133 and 128 one year from the date of closing of the Transaction, subject to the terms of an escrow agreement (the "Escrow Agreement") among the Vendors, Regis, Acquisitionco, 32246, Regis Canada Acquisition Corporation, Cosimo Fiorenza and Brans Lehun Baldwin LLP the escrow agent; and

    c) The remaining 86,236 Exchangeable Shares (equal to US$1,262,500) have not yet been issued, by mutual agreement, in light of an estimated capital shortfall with one or both of the Targets. It is anticipated at this time that these remaining Exchangeable Shares will not be issued.

14. Regis has delivered to 133 and 128 copies of its Annual Reports on Form 10-K for the fiscal years ended June 30, 1998, 1999, and 2000. Since June 30, 2000 there has been no material adverse change in the assets or liabilities, or in the business or condition, financial or otherwise, or in the results of consolidated operations of Regis or its subsidiaries.

15. The Exchangeable Shares will be exchangeable for Regis Common Shares on a one-for-one basis at any time during a period commencing on a date that is the later of a date 60 days from the closing of the Transaction (October 3, 2000), or the date on which the registration statement for those additional shares of Regis Common Shares which the Exchangeable Shares will be exchangeable into is accepted by the United States Securities and Exchange Commission (the "Qualification Date"). In addition, the Exchangeable Shares will be required to be exchanged upon the occurrence of certain events. Subject to applicable law and to the right of the Board of Directors of Acquisitionco to defer the payment thereof on certain terms, dividends will be payable on the Exchangeable Shares at the same time and in the equivalent amount per share as dividends on the Regis Common Shares. The number of Exchangeable Shares exchangeable for Regis Common Shares will be subject to adjustment or modification in the event of a stock split or other change to the capital structure of Regis in order to maintain at all times the initial one-to-one relationship between the Exchangeable Shares and Regis Common Shares.

16. Regis will file with NASDAQ the required documentation to have all additional shares of Regis Common Shares issuable in connection with the Transaction quoted and traded, and will pay all required fees in connection therewith.

17. The Exchangeable Shares will rank ahead of the common shares of Acquisitionco or any other shares ranking junior to the Exchangeable Shares with respect to the distribution of assets in the event of the liquidation, dissolution or winding-up of Acquisitionco.

18. Holders of Exchangeable Shares are entitled to receive:

    (a) in the case of a cash dividend or other distribution (other than distributions on liquidation) (collectively "dividends") declared on the Regis Common Shares, for each Exchangeable Share an amount in cash equal to the Canadian Dollar Equivalent on the Regis Dividend Declaration Date of the cash dividend declared on each Regis Common Share;

    (b) in the case of a share dividend declared on the Regis Common Shares to be paid in Regis Common Shares, for each Exchangeable Share a number of Exchangeable Shares for each Exchangeable Shares equal to the number of Regis Common Shares to be paid on each Regis Common Share;

    (c) in the case of a dividend declared on the Regis Common Shares in property (other than cash or Regis Common Shares), for each Exchangeable Share, a type and amount of property which is the same as or economically equivalent to the type and amount of property declared as a dividend on each Regis Common Share, provided that economic equivalence will be determined by the board of directors of Acquisitionco (the "Board of Directors") which shall be conclusive considering all factors which the Board of Directors deems to be relevant.

    All dividends will be paid out of money, assets or property of Acquisitionco properly applicable to the payment of dividends, or out of authorized but unissued shares of Acquisitionco.

19. So long as any of the Exchangeable Shares are outstanding, Acquisitionco may not at any time without, but may at any time with, the approval of the holders of the Exchangeable Shares given as specified in the Exchangeable Share provisions, add, change, or remove any of the rights, privileges, restrictions, and conditions attaching to the Exchangeable Shares.

20. In the event of the liquidation, dissolution or winding-up of Acquisitionco or any other distribution of the assets of Acquisitionco among its shareholders for the purpose of winding up its affairs, a holder of Exchangeable Shares will be entitled, subject to applicable law and the exercise by Regis of the right to accept an offer to purchase the Exchangeable Shares as contemplated herein (the "Liquidation Call Right"), receive from the assets of Acquisitionco in respect of each Exchangeable Share held by such holder on the effective date of such liquidation, dissolution or winding up (the "Liquidation Date") before any distribution of any part of the assets of Acquisitionco among the holders of the common shares or any other shares ranking junior to the Exchangeable Shares, an amount per Exchangeable Share equal to the Purchase Price with respect to the Exchangeable Shares calculated as of the Business Day immediately preceding the Liquidation Date (the "Liquidation Price"). The Liquidation Price shall be satisfied by Acquisitionco upon presentation of the certificates representing such Exchangeable Shares, together with such other documents and instruments as may be required to effect a transfer of the Exchangeable Shares under applicable law and the constating documents of Acquisitionco. The Liquidation Price may be satisfied by the delivery to a holder of the Exchangeable Shares one Regis Common Share for each Exchangeable Share held by such holder, plus an additional amount equivalent to the amount of all declared and unpaid dividends on such Exchangeable Share, without interest. If Regis exercises its Liquidation Call Right, then Regis will purchase and each holder will sell the Exchangeable Shares then owned by them on the Liquidation date for a price equal to the Liquidation Price.

21. A holder of Exchangeable Shares will be entitled at any time, subject to applicable law, the exercise by Regis of the Retraction Call Right and otherwise upon compliance with the provisions of the constating documents of Acquisitionco, to require Acquisitionco to redeem any or all of the Exchangeable Shares, as the case may be, registered in the name of such holder (the "Retraction Request") for an amount per share (the "Retraction Price") equal to the Purchase Price thereof calculated as of the Business Day immediately preceding the date on which the holder of Exchangeable Shares wishes to have Acquisitionco

redeem some or all of the Exchangeable Shares (the "Retraction Date").

22. Upon receipt of a Retraction Request, Acquisitionco will immediately notify Regis, and offer to sell the Exchangeable Shares subject to the Retraction Request (the "Retracted Shares") to Regis. In order to accept the offer to purchase the Retracted Shares, Regis must notify Acquisitionco of its acceptance (the "Regis Call Notice"within the requisite period, failing which Acquisitionco will notify the holder of the Exchangeable Shares as soon as possible that Regis will not exercise the Retraction Call Right. If Regis delivers the Regis Call Notice to Acquisitionco within the requisite period, and provided that the holder of the Exchangeable Shares has not revoked the Retraction Offer, the Retraction Request will be deemed to be only the Retraction Offer. In such event, Acquisitionco will not redeem the Retracted Shares and Regis will purchase the Retracted Shares, which purchase may be satisfied by the delivery to the holder of the Exchangeable Shares of one Regis Common Share for each Exchangeable Share which is a Retracted share, plus an additional amount equivalent to the amount of all declared and unpaid dividends on such Exchangeable Share without interest. If Regis does not deliver a Regis Call within the requisite period, and if the Retraction Request is not revoked, Acquisitionco will redeem the Retracted Shares.

23. Subject to applicable law, and provided that Regis has not exercised its right to accept an offer made by Acquisitionco on behalf of a holder of the Exchangeable Shares for sale of such shares on the terms and conditions contained in the constating documents of Acquisitionco (the "Redemption Call Right"), Acquisitionco will on the Redemption Date redeem all of the then outstanding Exchangeable Shares for an amount per share equal to the Purchase Price, calculated as of the Business Day immediately preceding the Redemption Date (the "Redemption Price"). The Redemption Price shall be satisfied by Acquisitionco upon presentation of the certificates representing such Exchangeable Shares, together with such other documents and instruments as may be required to effect a transfer of the Exchangeable Shares under applicable law and the constating documents of Acquisitionco. Acquisitionco shall cause to be sent a notice in writing of the redemption by Acquisitionco or the purchase by Regis under the Redemption Call Right, as the case may be, of the Exchangeable Shares held by such holder. Such notice shall set out the formula for determining the Redemption Price, the Redemption Date and, if applicable, the particulars of the Redemption Call Right. If Regis exercises its Redemption Call Right, on the Redemption Date, Regis will purchase from the holders of the Exchangeable Shares and the holders of the Exchangeable Shares will sell to Regis all of the Exchangeable Shares held by them, for a price per share equal to the Redemption Price, which in the case of the Exchangeable Shares may be satisfied by the delivery to a holder of one Regis Common Share for each Exchangeable Share held by such holder, plus an additional amount equivalent to the amount of all declared dividends on such Exchangeable Share, without interest. If Regis does not exercise its Redemption Call Right, Acquisitionco will pay the Redemption Price as contemplated in its constating documents.

24. Subject to applicable law, the Exchangeable Shares are non-voting except in certain circumstances described in the Exchangeable Share provisions.

25. On the closing of the Transaction, the following additional agreements were entered into: a support agreement (the "Support Agreement"), as well as an exchange agreement (the "Exchange Agreement") which provide:

    (a) In the case of the Support Agreement, that Regis will take certain actions and make certain payments to Acquisitionco to support the satisfaction by Acquisitionco of its obligations to the holders of the Exchangeable Shares with respect to the payment and satisfaction of dividends, the Cancellation Price, the Retraction Price and the Redemption Price, all in accordance with the Exchangeable Share provisions; and

    (b) In the case of the Exchange Agreement among each of the Vendors, Regis, 32246 and Acquisitionco, for the right of each of the Vendors, in limited circumstances, to require Regis to purchase from such Vendor all or any part of the Exchangeable Shares held by such Vendor.

26. The Transaction has given rise to the following exempt trades or possible trades:

    (a) the transfer by the Vendors to Acquisitionco of the FCH Ltd. Shares and the FCH Canada Shares pursuant to the Purchase Agreement;

    (b) the issuance of the Exchangeable Shares to 133 and 128 by Acquisitionco;

    (c) pursuant to the Support Agreement, the creation by 133 and 128 of the Liquidation Call Right, the Share Retraction Call Right and the Redemption Call Right in favour of Regis pursuant to the Purchase Agreement and the Exchangeable Share provisions; and

    (d) the creation by Regis of certain voting rights in respect of the Exchangeable Shares pursuant to the Support Agreement and the Exchange Agreement.

27. The next steps under the Transaction and the attributes of the Exchangeable Shares contained in the Exchangeable Share provisions, the Purchase Agreement, the Exchange Agreement and the Support Agreement involve or may involve a number of additional trades of securities. The trades and possible trades (collectively, the "Trades") to which the Transaction may give rise are the following:

(a) the issuance and intra-group transfers of Regis Common Shares from time to time to enable Acquisitionco to deliver Regis Common Shares to a holder of Exchangeable Shares upon the exercise of the Liquidation Right or Share Retraction Right by that holder and the subsequent delivery thereof by Acquisitionco upon such exercise;

(b) the transfer of Exchangeable Shares by the holder to Acquisitionco upon the holder's exercise of the Liquidation Right or Share Retraction Right;

(c) the issuance of Regis Common Shares to enable Regis to deliver Regis Common Shares to a holder of Exchangeable Shares in connection with Regis's exercise of its overriding Liquidation Call Right, Redemption Call Right or Share Retraction Call Right, and the subsequent delivery thereof upon such exercise;

(d) the transfer of Exchangeable Shares by the holder to Regis upon Regis exercising its overriding Liquidation Call Right, Redemption Call Right or Share Retraction Call Right

(e) the issuance and intra-group transfers of Regis Common Shares to enable Acquisitionco to deliver Regis Common Shares upon the exercise of the Redemption Right and the subsequent delivery thereof by Acquisitionco upon such exercise; and

(f) the transfer of Exchangeable Shares by the holders to Acquisitionco upon the exercise of the Redemption Right.

28. If the holders of Exchangeable Shares acquired the maximum number of Regis Common Shares to which they would be entitled pursuant to the Exchangeable Share provisions, if exercised at the time of the Transaction, the number of holders who are in Ontario and who would beneficially own Regis Common Shares would constitute less than 10% of the total number of beneficial holders of Regis Common Shares, holding in the aggregate less than 10% of the total issued and outstanding Regis Common Shares.

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

IT IS RULED pursuant to subsection 74(1) of the Act that, to the extent there are no exemptions available from the registration and prospectus requirements of the Act in respect of any of the Trades, such Trades are not subject to sections 25 or 53 of the Act, provided that the first trade in Exchangeable Shares or Regis Common Shares received pursuant to a Trade shall be a distribution unless:

1. such trade is made in compliance with section 72(5) of the Act and section 2.18(3) of the Ontario Securities Commission Rule 45-501 - *Exempt Distributions* as if the securities had been issued pursuant to one of the exemptions referenced in section 72(5) of the Act; or

2. that trade is executed through the facilities of NASDAQ or other stock exchange or market outside of Ontario and such trade is made in accordance with the rules of NASDAQ or such other stock exchange or market upon which such trade is made.

January 19, 2001.

"J.A. Geller" "R.S. Paddon"

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Chapter 3

Reasons: Decisions, Orders and Rulings

3.1 Reasons

3.1.1 Leslie Brent Thatcher - s.26(3)

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

AND

IN THE MATTER OF THE APPLICATION FOR
REINSTATEMENT OF REGISTRATION OF
LESLIE BRENT THATCHER

HEARING BEFORE THE DIRECTOR
PURSUANT TO SUBSECTION 26(3) OF THE SECURITIES ACT

Motion Heard:	October 16, 2000
Director:	Peggy Dowdall-Logie
Leslie Brent Thatcher:	In Person
Staff of the Ontario Securities Commission	Kathryn Daniels, Counsel

DECISION AND REASONS FOR DECISION

The Decision of the Director was to refuse the request by Leslie Brent Thatcher (the "applicant") for reinstatement of his registration as a salesperson. This decision was issued by the Director on January 12, 2000, with notice that reasons for the decision would follow at a later date. These are the reasons for the decision.

BACKGROUND

The applicant was previously employed at A.C. MacPherson and Company, Inc. ("MacPherson") from August, 1997 to January, 2000 and was a registered salesperson of MacPherson from June 10, 1999 to January 20, 2000. MacPherson was an investment dealer whose registration was terminated on July 5, 2000 by an Order of the Ontario Securities Commission (the "Commission") dated April 6, 2000, pursuant to section 127 of the *Securities Act* (Ontario) (the "Act"). The applicant's registration as a salesperson with MacPherson was suspended on January 20, 2000 when he, along with the other salespersons, were advised that there were problems with MacPherson's registration.

The applicant's registration as a salesperson continues to be suspended until two conditions set out in subsection 25(2) are met: first, notice is received from another registered dealer of employment of the salesperson; and, second reinstatement of the registration is approved by the Director.

The first of these conditions has been satisfied by the Notice of Employment dated February 8, 2000 received by the Director from Scotia Discount Brokerage Inc., an investment dealer under the Act. However, the second condition has not been satisfied, and Staff of the Registration Branch of the Commission have recommended that the Director not reinstate the applicant's registration. Staff issued a letter dated August 22, 2000 to the applicant identifying reasons for their recommendation. Staff is of the view that the applicant resold securities to his own clients at excessive mark-ups and failed to deal fairly, honestly and in good faith with his clients while employed at MacPherson. Staff submitted that the applicant was not suitable for registration. A hearing was convened before the Director on October 16, 2000 pursuant to subsection 26(3) of the *Act* which provides that:

> (3) The Director shall not refuse to grant, renew, reinstate or amend registration or impose terms and conditions thereon without giving the applicant an opportunity to be heard.

The other provision which is relevant to this hearing is subsection 26(1) of the *Act* which provides as follows:

> (1) Unless it appears to the Director that the applicant is not suitable for registration, renewal of registration or reinstatement of registration or

> that the proposed registration, renewal of registration, reinstatement of registration or amendment to registration is objectionable, the Director shall grant registration, renewal of registration, reinstatement of registration or amendment to registration to an applicant.

At the hearing, Mr. Thatcher represented himself. Kathryn Daniels was counsel for staff of the Commission.

EVIDENCE

The only testimony presented at the hearing was that of Mr. Thatcher. He testified that he had been employed at MacPherson from August, 1997 until January, 2000. Mr. Thatcher was first employed in the telemarketing department of the firm. Upon successful completion of the Canadian Securities Course, the Conduct and Practices Handbook ("CPH") course and the training required under the IDA rules, he transferred to the job of salesperson. He was registered as a salesperson at MacPherson from June 10, 1999 to January 20, 2000.

On cross-examination, Mr. Thatcher testified that as a registered salesperson, he acted as an account opener. He would call "leads" with the object of selling them securities of particular issuers that were part of the current sales campaign of Mac Pherson. After Mr. Thatcher sold to a client once, he would pass the client's account to a senior salesperson at MacPherson. He would then split the commissions from all sales from the accounts he opened with the senior salesperson. Unless a client happened to call him directly, he would have no further contact with the client.

Mr. Thatcher testified that his commission for principal sales made on behalf of MacPherson to his clients was between 15 and 20 percent. For agency trades, the commission would be two to three percent, of which Mr. Thatcher, as the selling representative, would receive approximately one percent. On subsequent sales made by the senior salesperson to clients whom he opened, Mr. Thatcher would typically get seven percent of those sales.

While employed as a registered salesperson, Mr. Thatcher testified that he only sold securities that MacPherson was promoting in a sales campaign and that were held in his employer's inventory. He stated that it was made clear to him that he could sell securities on an "agency" basis but it wasn't recommended because he would not be entitled to the higher commission. He stated that he understood that he promoted and sold high risk, speculative securities to clients. He testified that he knew that MacPherson was a market maker for all the securities he sold but did not investigate whether MacPherson was the only market maker.

Mr. Thatcher testified that salespeople at MacPherson were told every day the acquisition and selling prices of the securities they were selling. With regard to one of the securities sold by MacPherson, Blue Gold, Mr. Thatcher agreed with the suggestion by Ms. Daniels that the acquisition price was between 35 and 45 cents, and it was sold at a "starting price" of 90 cents. With regard to Ontario Hose, Mr. Thatcher agreed that the acquisition cost was between 35 and 45 cents, and that Mr. Thatcher sold it at between 75 and 90 cents. With regard to IO Gold, Mr. Thatcher agreed that the acquisition cost was between 50 and 60 cents, and that it was sold at between 95 cents and $1.45. Mr. Thatcher testified that "he sees now" that "it seems to be the case" that MacPherson was buying securities and then doubling the price of what it paid when selling it to clients. Mr. Thatcher stated that he did not have the opportunity to observe a drop in the price of securities after the sales campaign ended. Mr. Thatcher also testified that he never called clients to suggest that they sell the securities sold to them by MacPherson, even if the securities was going down. He stated that his only role was to sell "the issues" that he was given to sell.

SUMMARY OF THE APPLICANT'S SUBMISSIONS

The applicant submitted that there exists no basis for denying his application for registration. He stated that, until the day of the hearing, he did not know where to find a definition of what constitutes excessive mark-ups and that he did not know that MacPherson inflated the value of securities. Mr. Thatcher stated that he trusted MacPherson to sell shares with integrity, and that because of this reliance he did not investigate security prices. He submitted that he understood the nature of his duties at MacPherson, and that he made full disclosure to clients. Finally, Mr. Thatcher stated that he is currently employed by Scotia Discount Brokerage, Inc., and that he poses no threat to the capital markets given the competency of the firm's compliance department and his proposed limited role as an order-taker.

SUMMARY OF STAFF'S SUBMISSIONS

Staff of the Commission recommended that the Director deny the application on the grounds that the applicant failed to fulfil his duty to clients. First, Staff submitted that Mr. Thatcher sold securities to his clients at excessive mark-ups. In its settlement agreement with the Commission, MacPherson admitted to selling securities of two issuers at excessive mark-ups, and Staff drew an analogy between the nature and extent of the mark-ups in those situations and the mark-ups on those securities sold by Mr. Thatcher. Staff's second submission was that Mr. Thatcher knew or ought to have known that selling securities at excessive mark-ups was not in the best interest of his clients. Staff argued that it is an ongoing finding of the Commission that selling to clients at excessive mark-ups is a failure to deal honestly, fairly and in good faith with clients. As well, Staff proposed that wilful blindness is not a valid excuse, as salespersons have a duty to ensure that they discharge their responsibilities to clients. Consequently, Staff asked the Director to find that Mr. Thatcher failed to fulfil his duty under Rule 31-505 (the "Rule") to deal fairly, honestly and in good faith with clients.

DIRECTOR'S FINDINGS

Mr. Thatcher's application for reinstatement of registration is denied on the basis that I find him not suitable for registration because he did not meet the obligations of a registered salesperson while employed by MacPherson. Pursuant to the Rule, a registered salesperson has the duty to deal fairly, honestly and in good faith with his or her clients. These general obligations are further elaborated within the specific context of the Know-Your-Client and Suitability provisions of the Rule.

While Mr. Thatcher agreed with counsel for the Commission that the Suitability obligations of the Rule includes knowing and analyzing the transactions being recommended, Mr. Thatcher did not follow through with this commitment. This is illustrated by the fact that when selling securitity from MacPherson's inventory, the applicant did not take steps to inquire as to whether the price of the security was justified by market conditions. Even though he acknowledged that the price of some securities appeared to double, the applicant did not make inquiries into reasons for this movement; rather, he relied absolutely and unquestioningly on MacPherson. Apart from the direction given by the firm, the applicant did not have a basis for recommending specific securities.

A further illustration of Mr. Thatcher's failure to live up to his obligations as a registered salesperson can be seen in the fact that he testified that he did not know whether MacPherson was the market maker for the securities that he sold. In the context of a dealer promoting and selling high risk, speculative securities as principal from its own inventory, Mr. Thatcher's failure to investigate whether MacPherson was the sole market maker on the securities demonstrates a lack of due diligence on behalf of his clients.

While the applicant states that he did not act with malice, neither did he act in accordance with his responsibilities to clients under the Rule. Moreover, his testimony illustrates that he remains unaware of the substantive nature of these duties. He did not investigate the securities that he was promoting, and continues to claim that his actions were reasonable and that he was justified in relying absolutely on his employer. On the basis of his testimony before me, I am not satisfied that he understood then or that he understands now the nature of a salesperson's duties to his or her clients.

As a result of Mr. Thatcher's failure to appreciate his responsibilities as a registered salesperson, he participated in the sale of securities to his clients at what he now recognizes were excessive mark-ups. In so doing, Mr. Thatcher failed to deal fairly, honestly and in good faith with his clients, as was his duty under the Rule.

Although I have decided against allowing reinstatement of Mr. Thatcher's registration at this time, I have decided that it is appropriate in this case to offer some guidance as to what actions he might take should he decide to reapply for reinstatement at a later date. As noted in *Re Jaynes* (2000), 23 OSCB 1543 and *Re Curia* (2000) 23 OSCB 7505, this is a case, where, in my opinion, it is appropriate that the applicant have a period of reflection to be used to address some of the matters identified above which continue to be of concern. During this period, Mr. Thatcher may wish to address my finding that he does not understand the duties and obligations of a registered salesperson by enrolling in and successfully completing the CPH course in order to assist him in fully understanding the duties and obligations of a registered salesperson. Finally, Mr. Thatcher should be made aware that in relation to any future application for reinstatement that he may elect to file, the Director responsible for considering said application may decide that additional remedial terms and conditions be placed on his registration.

January 22, 2001.

"Peggy Dowdall-Logie"

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Chapter 4

Cease Trading Orders

4.1.1 Temporary and Cease Trading Orders

Company Name	Date of Order or Temporary Order	Date of Hearing	Date of Extending Order	Date of Rescinding Order
Kafus Industries Ltd.	18 Jan 01	30 Jan 01	-	-
Enterra Communications Inc.	22 Jan 01	02 Feb 01	-	-

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Chapter 5

Rules and Policies

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Chapter 6

Request for Comments

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Chapter 7

Insider Reporting

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

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

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

Chapter 8

Notice of Exempt Financings

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

Trans. Date	Security	Price ($)	Amount
01Dec00	A&B Geoscience Corporation - Common Shares	786,900	2,623,000
18Dec00	American Bonanza Bold Mining Corp. - Units	84,000	646,154
29Dec00	Augen Limited Partnership V - Limited Partnership Units	1,170,000	11,700
04Jan01	Avantas Networks Corporation - Series B1 Voting Preferred Shares and B2 Non-Voting Preferred Shares	46,271,921	4,678,875, 584,859 Resp.
22Dec00	BPI American Opportunities Fund - Units	459,429	3,277
08Dec00	BPI American Opportunities Fund - Units	632,833	4,487
15Dec00	BPI American Opportunities Fund - Units	1,317,500	9,441
05Jan01	Bridge2Market, Inc. - Shares of Series A Preferred Stock	US$232,198	27,875
27Dec00	Burgundy Small Cap Value Fund - Units	256,275	7,356
01Dec00	CGO&V Hazelton Fund - Units	903,449	64,384
01Dec00	CGO&V Cumberland Fund - Units	551,575	30,959
01Dec00	CGO&V Balanced Fund - Units	3,030,282	235,520
30Sep00	Clancy Funding (2000) Inc. - Units	230,000	280
29Dec00	Cypress Lake Project Limited Partnership - Limited Partnership Units	1,510,726	29
05Jan01	Decoma International Inc. - Class A Subordinate Voting Shares, Retractable, Convertible Preferred Shares, Series 4 Shares, and Redeemable, Retractable, Convertible Preferred Shares, Series 5	100,000,000, 100,000,000, 100,000,000	8,333,333, 1,000,000, 1,000,000 Resp.
11Dec00	Dejour Mines Limited - Units	150,000	1,000,000
10Jan01	E.W.M.C. International Inc. -	759,180	1,518,360
11Jan01	East West Resources Corporation - Common Shares	6,375	37,500
11Jan01	East West Resource Corporation - Common Shares	2,900	10,000
01Dec00 to 29Dec00	Elliott & Page American Growth Fund - Class G Units	2,293,236	100,829
01Dec00 to 29Dec00	Elliott & Page Value Equity Fund - Class G Units	1,043,126	94,067
01Dec00 to 29Dec00	Elliott & Page Balanced Fund - Class G Units	6,755,394	528,881
01Dec00 to 29Dec00	Elliott & Page Sector Rotation Fund - Class G Units	10,438,771	771,975
01Dec00 to 29Dec00	Elliott & Page Equity Fund - Units	8,332,606	688,076
15Dec00	Fleming Canada Offshore Select Trust - Units	1,000,006	4,003
09Jan01	Guyana Goldfields Inc. - Common Shares and Shares Purchase Warrants	312,000	400,000, 200,000 Resp.

Trans. Date		Security	Price ($)	Amount
20Dec00		Imaging Dynamics Corporation - Special Warrants	1,000,000	1,250,000
12Jan01		Impath Networks Inc. - Common Shares	4,050,000	2,250,000
26Sep00		InFilm Network, Inc., The - Series A Preferred Stock	37,535	32,468
04Jan01		InterCept Group, Inc., The - Shares of Common Stock	49,443,323	1,253,942
28Dec00		Ketch Energy Inc. - Common Shares	2,750,000	550,000
29Dec00	#	Lakeside Gardens Retirement Community Limited Partnership - Limited Partnership Units	767,876	13
20Dec00		Laketon Equity Fund - Units	809,765	1,787
01Jan01		Locus Holdings Inc. - Exchangeable Shares	1,246,339	1,246,333
22Dec00		MacDonald Mines Exploration Ltd. - Class A Common Shares	150,000	750,000
31Dec00		Marquest Balanced Fund #750 - Units	150,000	11,444
31Dec00		Marquest Canadian Equity Fund #650 - Units	200,004	21,772
31Dec00		Marquest Canadian Equity Growth Fund #501 - Units	1,104,943	84,679
31Dec00		Marquest Dividend Income Fund #850 - Units	8,121,334	812,133
31Dec00		Marquest Technology Fund #401US - Units	200,000	28,779
31Dec00		Marquest US Equity Growth Fund #301US - Units	200,000	8,813
18Dec00		MediaVentures Production Limited Partnership - Limited Partnership Units - Amended	124,708,468	121,534
29Dec00		Moneta Porcupine Mines Inc. -	45,000	450,000
29Dec00	#	MTAX 2000 (No. 2) Mineral Limited Partnership - Limited Partnership Units	550,000	550
30Jun00 to 29Dec00		Nexus North American Balanced Fund - Trust Units	1,615,128	101,885
31Dec00		Nexus North American Equity Fund - Trust Units	1,150,000	108,316
05Dec00		Norfolk Master Limited Partnership - Limited Partnership Units	12,776,640	798
06Dec00		Norfolk Master Limited Partnership - Limited Partnership Units	3,270,804	204
08Dec00		Norfolk Master Limited Partnership - Limited Partnership Units	480,000	30
01Dec00		Norfolk Master Limited Partnership - Limited Partnership Units	6,609,099	395
07Dec00		Norfolk Master Limited Partnership - Limited Partnership Units	4,336,000	271
10Nov00		Norfolk Master Limited Partnership - Limited Partnership Units	5,960,880	372
26Jul00		Paradata Systems Inc. - Series A Preferred Shares - Amended	15,238,080	12,235,297
30Dec00		PGM Ventures Corporation - Flow-Through Common Shares	412,000	784,762
04Jan01		Phoenix Technology Services Ltd. - Common Shares	545,600	124,000
19Dec00		Phoenix Technology Services Ltd. -	550,440	125,100
19Dec00		Phoenix Technology Services Ltd. - Special Warrants	867,680	197,200
13Nov00		PlayandWin Canada Inc. - Class B Special Shares	912,177	1,320,006
13Nov00		PlayandWin Canada Inc. - Class B Special Shares	912,177	1,320,006
12Jan01		Quartet Services (Holdings) Inc. - Preferred Shares	2,999,999	3,293,084
11Dec00		Rainbow Connections Inc. - Common Shares	150,000	233,013
05Jul00 to 03Oct00		Rosseau Limited Partnership - Limited Partnership Units	14,568,363	6,924
01Oct00 to 31Dec00		Royal Trust Company, The - Units	229,453,287	21,169,419
29Dec00		SangStat Medical Corporation - Shares of Common Stock	5,251,825	368,500
21Dec00		Sentinel Hill Alliance Atlantis Equicap Millennium Limited Partnership - Units	9,383,504	586
28Dec00		Sentinel Hill Alliance Atlantis Equicap Millennium Limited Partnership - Units	6,037,264	377
22Dec00		Sentinel Hill Alliance Atlantis Equicap Millennium Limited Partnership - Units	4,766,448	297
19Dec00		Silicon Video Inc. - Series A Preferred Shares	US$1,180,000	1,180,000
02Jan01		Stuart Energy Systems Corporation - Common Shares	400,000	50,000
08Jan01		Summo Minerals Corporation - Units	770,000	3,850,000
10Jan01		Systech Retail Systems Inc. - Warrants for Common Shares	600,000	300,000
29Dec00		Temer Resources Corp. -	225,000	562,500
31Dec00		Thornmark Alpha Fund, The Thornmark Canadian Equity Fund, The Thornmark Dividend & Income Fund and The Thornmark U.S. Equity Fund - Units	2,676,962	2,676,962

Trans. Date	Security	Price ($)	Amount
10Jan01	Twenty First Century Canadian Bond Fund - Units	150,000	29,306
10Jan01	Twenty First Century Canadian Equity Fund - Units	1,349,481	198,351
	Upper Circle Equity Fund The, - Units	150,000	11,152
	Upper Circle Equity Fund, The - Units	110,560	12,248,000
	Upper Circle Equity Fund, The - Units	150,000	11,152
01Jan01	Value Contrarian Canadian Asset Management - Units	50,000	50,000
29Dec00	Virginia Gold Mines Inc. - Flow-Through Common Shares	500,000	500,000
29Dec00	Wolfden Resources Inc. - Common Shares	68,250	105,000
29Dec00	Wolfden Resources Inc. - Common Shares	682,500	1,050,000
21Dec00	Yummy Interactive, Inc. - Series B Shares	503,674	442,352
04Jan01	Zentastra Photonics Inc. - Common Shares	1,453,723	156,000
22Dec00	Zucotto Wireless Inc. - Units	4,929,277	1,512,712
01Jan01	Zweig-DiMenna International Limited - Shares	1,497,100	22

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

Seller	Security	Amount
Scodnick, Joel	Graniz Mondal Inc. - Common Shares	150,000
963037 Ontario Limited	Jetcom Inc. - Common Shares	1,000,000
Xenolith Gold Limited	Kookaburra Resources Ltd. - Common Shares	1,943,700
2930170 Canada Inc.	Venga Aerospace Systems Inc. - Common Shares	9,000,000
Mourin, Stanley	Western Troy Capital Resources Inc. - Common Shares	60,000

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Chapter 9

Legislation

THERE IS NO MATERIAL FOR THIS CHAPTER

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Chapter 11

IPOs, New Issues and Secondary Financings

Issuer Name:
628916 Alberta Ltd.
Principal Regulator - Alberta
Type and Date:
Preliminary Prospectus dated January 22nd, 2001
Mutual Reliance Review System Receipt dated January 24th, 2001
Offering Price and Description:
$ * - * Common Shares and 2,095,000 Common Shares Issuable upon the exercise of Special Warrants
Underwriter(s) or Distributor(s):
Yorkton Securities Inc.
FirstEnergy Capital Corp.
Promoter(s):
Keith Smith
M. J. Denis LaForge
Richard R. Charron
Project #327205

Issuer Name:
AnorMED Inc.
Principal Regulator - British Columbia
Type and Date:
Preliminary Short Form Prospectus dated January 22nd, 2001
Mutual Reliance Review System Receipt dated January 22nd, 2001
Offering Price and Description:
$25,500,000 - 1,500,000 Common Shares @$17.00 per share
Underwriter(s) or Distributor(s):
BMO Nesbitt Burns Inc
CIBC World Markets Inc.
RBC Dominion Securities Inc.
Goepel McDermid Inc. .
Promoter(s):
Michael J. Abrams
Project #327163

Issuer Name:
BFI Commodity Fund Limited Partnership
Principal Regulator - Manitoba
Type and Date:
Preliminary Prospectus dated January 16th, 2001
Mutual Reliance Review System Receipt dated January 22nd, 2001
Offering Price and Description:
Offering of Class A Limited Partnership Units $5,000 to $4,000,000 - 800,000 Units @ $5.00 per Unit
Underwriter(s) or Distributor(s):
CFG Futures Canada Inc.
Promoter(s):

Project #326621

Issuer Name:
Cell-Loc Inc.
Principal Regulator - Alberta
Type and Date:
Preliminary Short Form Prospectus dated January 18th, 2001
Mutual Reliance Review System Receipt dated January 18th, 2001
Offering Price and Description:
$20,250,000 - 5,400,000 Units @ $3.75 per Unit
Underwriter(s) or Distributor(s):
Research Capital Corporation
CIBC World Markets Inc.
Promoter(s):

Project #326508

Issuer Name:
GDI Global Data Inc.
Principal Regulator - Ontario
Type and Date:
Preliminary Prospectus dated January 19th, 2001
Mutual Reliance Review System Receipt dated January 22nd, 2001
Offering Price and Description:
7,082,978 Common Shares Issuable Upon Exercise of 4,721,985 Special Warrants and 2,360,993 Warrants
Underwriter(s) or Distributor(s):
Paradigm Capital Inc.
Loewen, Ondaatje McCutcheon Limited
Promoter(s):

Project #326824

Issuer Name:
Hixon Gold Resources Inc.
Type and Date:
Amended Preliminary Prospectus dated January 16th, 2001
Receipted January 18th, 2001
Offering Price and Description:
$530,000 - 5,300,000 Common Shares @ $0.10 per Common Shares
Underwriter(s) or Distributor(s):

Promoter(s):

Project #317791

Issuer Name:
MediSolution Ltd.
Principal Regulator - Quebec
Type and Date:
Preliminary Short Form Prospectus dated January 15th, 2001
Mutual Reliance Review System Receipt dated January 22nd, 2001
Offering Price and Description:
$7,380,000 - 3,075,000 Common Shares issuable upon the exercise of 3,075,000 previously issued Special Warrants
Underwriter(s) or Distributor(s):
NewCrest Capital Inc.
Acumen Capital Finance Partners Limited
Promoter(s):

Project #325613

Issuer Name:
MGI Software Corp.
Principal Regulator - Ontario
Type and Date:
Preliminary Short Form Prospectus dated January 18th, 2001
Mutual Reliance Review System Receipt dated January 18th, 2001
Offering Price and Description:
Cdn$20,000,000 - 2,500,000 @ $8.00 per Unit
Underwriter(s) or Distributor(s):
National Bank Financial Inc.
BMO Nesbitt Burns Inc
Yorkton Securities Inc. .
Promoter(s):

Project #326384

Issuer Name:
Shiningbank Energy Income Fund
Principal Regulator - Alberta
Type and Date:
Preliminary Short Form Prospectus dated January 17th, 2001
Mutual Reliance Review System Receipt dated 17th, 2001
Offering Price and Description:
$40,500,000 - 2,500,000 Trust Units @ $16.20 per Trust Unit
Underwriter(s) or Distributor(s):
CIBC World Markets Inc.
BMO Nesbitt Burns Inc.
Merrill Lynch Canada Inc.
TD Securities Inc.
Promoter(s):

Project #326208

Issuer Name:
Triangulum Corporation
Principal Regulator - Alberta
Type and Date:
Preliminary Prospectus dated January 19th, 2001
Mutual Reliance Review System Receipt dated January 24th, 2001
Offering Price and Description:
$1,060,000 (2,120,000) Special Warrants 2,120,000 Common Shares and 2,120,000 Class A Warrants issuable upon the exercise of 2,120,000 Special Warrants
Underwriter(s) or Distributor(s):
BayStreetDirect Inc.
Promoter(s):

Project #327413

Issuer Name:
Global Strategy Growth & Income Fund

Principal Regulator - Ontario
Type and Date:
Amendment #4 dated January 15th, 2001 to Simplified Prospectus and Annual Information Form dated March 20th, 2000
Mutual Reliance Review System Receipt dated 23rd day of January, 2001.
Offering Price and Description:
Mutual Fund Securities - Net Asset Value
Underwriter(s), Agent(s) or Distributor(s):
Registered Dealers
Promoter(s):

Project #233505

Issuer Name:
Global Strategy World Companies RSP Fund
Global Strategy World Balanced RSP Fund

Principal Regulator - Ontario
Type and Date:
Amendment #4 dated January 15th, 2001 to Simplified Prospectus and Annual Information Form dated April 12th, 2000
Mutual Reliance Review System Receipt dated 23rd day of January, 2001.
Offering Price and Description:
Mutual Fund Securities - Net Asset Value
Underwriter(s), Agent(s) or Distributor(s):
Registered Dealers
Promoter(s):

Project #235240

Issuer Name:
Global Strategy World Companies RSP Fund
Global Strategy World Balanced RSP Fund
Principal Regulator - Ontario
Type and Date:
Amendment #4 dated January 15th, 2001 to Simplified Prospectus and Annual Information Form dated January 7th, 2000
Mutual Reliance Review System Receipt dated 24th day of January, 2001.
Offering Price and Description:
Mutual Fund Securities - Net Asset Value
Underwriter(s), Agent(s) or Distributor(s):
Registered Dealers
Promoter(s):

Project #176350

Issuer Name:
Global Strategy Canada Growth Fund
Global Strategy Canadian Companies Fund
Global Strategy Canadian Opportunities Fund
Global Strategy Canadian Small Cap Fund
Global Strategy Gold Plus Fund
Global Strategy Income Plus Fund
Global Strategy Bond Fund
Global Strategy Money Market Fund
Global Strategy Europe Plus RSP Fund
Global Strategy Japan Plus RSP Fund
Global Strategy World Equity RSP Fund
Global Strategy World Bond RSP Fund
Global Strategy Europe Plus Fund
Global Strategy U.S. Equity Fund
Global Strategy World Companies Fund
Global Strategy World Equity Fund
Global Strategy World Opportunities Fund
Global Strategy World Balanced Fund
Global Strategy World Bond Fund
Principal Regulator - Ontario
Type and Date:
Amendment #4 dated January 15th, 2001 to the Amended Simplified Prospectus and Annual Information Form dated July 21st, 2000
Mutual Reliance Review System Receipt dated 24th day of January, 2001.
Offering Price and Description:
Mutual Fund Securities - Net Asset Value
Underwriter(s), Agent(s) or Distributor(s):
Registered Dealers
Promoter(s):

Project #216957

Issuer Name:
Mackenzie Horizon Capital Class
Mackenzie Ivy Canadian Capital Class
Mackenzie Ivy Enterprise Capital Class
Mackenzie Universal Canadian Growth Capital Class
Mackenzie Universal Future Capital Class
Mackenzie Universal Select Managers Canada Capital Class
Mackenzie Universal Select Managers USA Capital Class
Mackenzie Universal U.S. Blue Chip Capital Class
Mackenzie Universal U.S. Emerging Growth Capital Class
Mackenzie Cundill Value Capital Class
Mackenzie Ivy Foreign Equity Capital Class
Keystone Premier Euro Elite 100 Capital Class
Keystone Premier Global Elite 100 Capital Class
Mackenzie Universal European Opportunities Capital Class
Mackenzie Universal Global Ethics Capital Class
Mackenzie Universal International Stock Capital Class
Mackenzie Universal Select Managers Capital Class
Mackenzie Universal Select Managers Far East Capital Class
Mackenzie Universal Select Managers International Capital Class
Mackenzie Universal Select Managers Japan Capital Class
Mackenzie Universal World Emerging Growth Capital Class
Mackenzie Universal World Value Capital Class
Mackenzie Universal Communications Capital Class
Mackenzie Universal Financial Services Capital Class
Mackenzie Universal Health Sciences Capital Class
Mackenzie Universal Internet Technologies Capital Class
Mackenzie Universal World Precious Metals Capital Class
Mackenzie Universal World Real Estate Capital Class
Mackenzie Universal World Resource Capital Class
Mackenzie Universal World Science & Technology Capital Class
Mackenzie Canadian Managed Yield Capital Class
Mackenzie U.S. Managed Yield Capital Class
Principal Regulator - Ontario
Type and Date:
Amendment #2 dated December 27th, 2000 to Simplified Prospectus and Annual Information Form dated October 26th, 2000
Mutual Reliance Review System Receipt dated 9th day of January, 2001.
Offering Price and Description:
Mutual Fund Securities - Net Asset Value
Underwriter(s), Agent(s) or Distributor(s):
Registered Dealers
Promoter(s):
Mackenzie Financial Corporation
Project #304438

Issuer Name:
Ivernia West Inc.
Type and Date:
Final Prospectus dated December 15th, 2000
Receipted 15th day of December, 2000
Offering Price and Description:
Underwriter(s), Agent(s) or Distributor(s):
N\A
Promoter(s):
N\A
Project #288279

Issuer Name:
New Generation Biotech (Balanced) Fund Inc.
Type and Date:
Final Prospectus dated December 27th, 2000
Receipted 3rd day of January, 2001
Offering Price and Description:
Underwriter(s), Agent(s) or Distributor(s):
N\A
Promoter(s):
N\A
Project #308920

Issuer Name:
New Generation Biotech (Equity) Fund Inc.
Type and Date:
Final Prospectus dated December 27th, 2000
Receipted 3rd day of January, 2001
Offering Price and Description:
Underwriter(s), Agent(s) or Distributor(s):
N\A
Promoter(s):
N\A
Project #308915

Issuer Name:
Nework Corp.
Principal Regulator - Ontario
Type and Date:
Final Prospectus dated January 10th, 2001
Mutual Reliance Review System Receipt dated 16th day of January, 2001
Offering Price and Description:
Underwriter(s), Agent(s) or Distributor(s):
Wolverton Securities Ltd.
Promoter(s):
Alan Rootenberg
John M. Wiseman
Project #307729

Issuer Name:
RDM Corporation
Principal Regulator - Ontario
Type and Date:
Final Prospectus dated January 22nd, 2001
Mutual Reliance Review System Receipt dated 24th day of January, 2001
Offering Price and Description:
$15,000,000.00 - 4,000,000 Common Shares and 2,000,000 Share Purchase Warrants issuable upon the exercise of Special Warrants
Underwriter(s), Agent(s) or Distributor(s):
Loewen, Ondaatje, McCutcheon Limited
Promoter(s):
N/A
Project #321954

Issuer Name:
SLMsoft.com Inc.
Principal Regulator - Ontario
Type and Date:
Final Prospectus dated January 4th, 2001
Mutual Reliance Review System Receipt dated 5th day of January, 2001
Offering Price and Description:
Underwriter(s), Agent(s) or Distributor(s):
National Bank Financial Inc.
Yorkton Securities Inc.
Rampart Securities Inc.
Promoter(s):
N\A
Project #277872

Issuer Name:
Spectra Securities Software Inc.
Principal Regulator - Ontario
Type and Date:
Final Prospectus dated December 13th, 2000
Mutual Reliance Review System Receipt dated 15th day of December, 2000
Offering Price and Description:
Underwriter(s), Agent(s) or Distributor(s):
Yorkton Securities Inc.
CIBC World Markets Inc.
TD Securities Inc.
Promoter(s):
N/A
Project #308262

Issuer Name:
Tiomin Resources Inc.
Type and Date:
Final Prospectus dated January 18th, 2001
Receipted 22nd day of January, 2001
Offering Price and Description:
Underwriter(s), Agent(s) or Distributor(s):
Sprott Securities Inc.
Promoter(s):
N/A
Project #323069

Issuer Name:
Working Ventures Canadian Fund Inc.
Principal Regulator - Ontario
Type and Date:
Final Prospectus dated January 4th, 2001
Mutual Reliance Review System Receipt dated 12th day of January, 2001
Offering Price and Description:
Underwriter(s), Agent(s) or Distributor(s):
N/A
Promoter(s):
N/A
Project #316673

Issuer Name:
Algonquin Power Income Fund
Principal Regulator - Ontario
Type and Date:
Final Short Form Prospectus dated January 19th, 2001
Mutual Reliance Review System Receipt dated January 19th, 2001
Offering Price and Description:

Underwriter(s) or Distributor(s):
BMO Nesbitt Burns Inc.
National Bank Financial Inc.
Merrill Lynch Canada Inc.
RBC Dominion Securities Inc.
TD Securities Inc. Scotia Capital Inc.
Trilon Securities Inc. Corporation
Promoter(s):
-
Project #325050

Issuer Name:
Crystallex International Corporation
Type and Date:
Final Short Form Prospectus dated January 8, 2001
Receipted on January 8, 2001
Offering Price and Description:
-
Underwriter(s), Agent(s) or Distributor(s):
Poseidon Financial Partners, Operating as Capital West Group
CIBC Mellon Trust Company
Promoter(s):

Project #323227

Issuer Name:
Genetronics Biomedical Ltd.
Principal Regulator - British Columbia
Type and Date:
Final Short Form Prospectus dated January 11th, 2001
Mutual Reliance Review System Receipt dated 12th day of January, 2001
Offering Price and Description:
$7,357,500.00 - 5,450,000 Common Shares
Underwriter(s), Agent(s) or Distributor(s):
Canaccord Capital Corporation
Promoter(s):
N\A
Project #322284

Issuer Name:
Merrill Lynch Mortgage Loans Inc.
Principal Regulator - Ontario
Type and Date:
Final Short Form Prospectus dated January 23rd, 2001
Mutual Reliance Review System Receipt dated January 23rd, 2001
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
Merrill Lynch Canada Inc.
Promoter(s):

Project #325586

Issuer Name:
Wi-LAN Inc.
Principal Regulator - Alberta
Type and Date:
Final Short Form Prospectus dated January 18th, 2001
Mutual Reliance Review System Receipt dated January 18th, 2001
Offering Price and Description:

Underwriter(s) or Distributor(s):
Research Capital Corporation
CIBC World Markets Inc.
Promoter(s):

Project #325063

Issuer Name:
Canadian Anaesthetists' Mutual Accumulating Fund Limited

Principal Regulator - Ontario
Type and Date:
Final Simplified Prospectus and Annual Information Form dated January 12th, 2001
Mutual Reliance Review System Receipt dated 15th day of January, 2001
Offering Price and Description:
Mutual Fund Unit - Net Asset Value
Underwriter(s), Agent(s) or Distributor(s):
Registered Dealer
Promoter(s):
N/A
Project #311970

Issuer Name:
Clarington Global Income Fund
Clarington Sector Fund Inc.
Relating to:
Clarington Digital Economy Class
Clarington Global Health Sciences Class
Principal Regulator - Ontario
Type and Date:
Final Simplified Prospectus and Annual Information Form dated January 18th, 2001
Mutual Reliance Review System Receipt dated 22nd day of January, 2001
Offering Price and Description:
Mutual Fund Securities - Net Asset Value
Underwriter(s), Agent(s) or Distributor(s):
Clarington Fund Inc.
Promoter(s):
Clarington Sector Fund Inc.
Project #307269

Issuer Name:
Credential Select Balanced Portfolio
Credential Select Growth Portfolio
Credential Select High Growth Portfolio
Principal Regulator - British Columbia
Type and Date:
Final Simplified Prospectus and Annual Information Form dated December 21st, 2000
Mutual Reliance Review System Receipt dated 22nd day of December, 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 #304488

Issuer Name:
Optima Strategy Cash Management Pool (Formerly Optima Strategy Fund - Cash Management Section)
Optima Strategy Short Term Income Pool (Formerly Optima Strategy Fund - Short Term Investment Section)
Optima Strategy Canadian Fixed Income Pool (Formerly Optima Strategy Fund - Canadian Fixed Income Section)
Optima Strategy Global Fixed Income Pool (Formerly Optima Strategy International Fund - Global Fixed Income Section)
Optima Strategy RSP Global Fixed Income Pool (Formerly Optima Strategy RSP Global Fixed Income Fund)
Optima Strategy Canadian Equity Small Cap Pool (Formerly Optima Strategy Canadian Small Cap Equity Fund)
Optima Strategy Canadian Equity Value Pool (Formerly Optima Strategy Fund - Canadian Equity Section)
Optima Strategy Canadian Equity Growth Pool (Formerly Optima Strategy Canadian Growth Pool)
Optima Strategy Canadian Equity Diversified Pool (Formerly Optima Strategy Canadian Diversified Pool)
Optima Strategy US Equity Value Pool (Formerly Optima Strategy International Fund - U.S. Equity Section)
Optima Strategy US Equity Growth Pool (Formerly Optima Strategy US Growth Pool)
Optima Strategy US Equity Diversified Pool (Formerly Optima Strategy US Diversified Pool
Optima Strategy RSP US Equity Diversified Pool (Formerly Optima Strategy RSP US Equity Fund)
Optima Strategy International Equity Value Pool (Formerly Optima Strategy International Value Pool)
Optima Strategy International Equity Growth Pool (Formerly Optima Strategy International Growth Pool)
Optima Strategy International Equity Diversified Pool (Formerly Optima Strategy International Fund - International Equity Section)
Optima Strategy RSP International Equity Diversified Pool (Formerly Optima Strategy RSP International Equity Fund)
Optima Strategy Real Estate Investment Pool (Formerly Optima Strategy International Fund - Real Estate Investment Section)
Principal Regulator - Manitoba
Type and Date:
Final Simplified Prospectus and Annual Information Form dated November 29th, 2000
Mutual Reliance Review System Receipt dated 4th day of December, 2000
Offering Price and Description:
Mutual Fund Securities - Net Asset Value
Underwriter(s), Agent(s) or Distributor(s):
Assante Asset Management Ltd.
Pro-Fund Distributors Ltd.
Brightside Financial Services Ltd.
F.P.C. Investments Inc.
Assante Capital Management Ltd.
Assante Financial Management Ltd.
Fenlon Financial (1997) Inc.
Summitt Aurum Financial Group Inc.
Promoter(s):
Assante Asset Management Ltd.
Project #301993

Issuer Name:
Legend Money Market Pool
Legend Bond Pool
Legend Global Income Pool
Legend Canadian Dividend Pool
Legend Canadian Equity Pool
Legend U.S. Equity Pool
Legend U.S. Growth Equity Pool
Legend Global Equity Pool
Legend G7 Equity Pool
Legend European Equity Pool
Principal Regulator - Quebec
Type and Date:
Final Simplified Prospectus and Annual Information Form dated January 3rd, 2001
Mutual Reliance Review System Receipt dated 4th day of January, 2001
Offering Price and Description:
Mutual Fund Securities - Net Asset Value
Underwriter(s), Agent(s) or Distributor(s):
Standard Life Mutual Fund Ltd.
Promoter(s):
N/A
Project #307321

Issuer Name:
National Bank/Fidelity Global Asset Allocation RSP Fund
National Bank/Fidelity International Portfolio RSP Fund
National Bank/Fidelity Growth America RSP Fund
Principal Regulator - Quebec
Type and Date:
Preliminary Simplified Prospectus and Annual Information Form dated October 20th, 2000
Withdrawn 23rd day of November, 2000
Offering Price and Description:
Underwriter(s), Agent(s) or Distributor(s):
National Bank Securities Inc.
Promoter(s):
National Bank Securities Inc.
Project #305905

Issuer Name:
Look Communications Inc.
Principal Regulator - Ontario
Type and Date:
Preliminary Short Form Prospectus dated November 1st, 2000
Withdrawn 15th day of December, 2000
Offering Price and Description:
Underwriter(s), Agent(s) or Distributor(s):
Scotia Capital Inc.
BMO Nesbitt Burns Inc.
TD Securities Inc.
National Bank Financial Inc.
Promoter(s):
N/A
Project #309118

Issuer Name:
NT2 Corp.
Principal Regulator - Ontario
Type and Date:
Preliminary Prospectus dated January 2nd, 2001
Withdrawn on January 22nd, 2001
Offering Price and Description:
$ * - * Preferred Shares and * Capital Shares
Underwriter(s) or Distributor(s):
TD Securities Inc.
Promoter(s):
TD Securities Inc.
Project #323885

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Chapter 12

Registrations

12.1.1 Securities

Type	Company	Category of Registration	Effective Date
New Registration	Wise Capital Management Inc. Attention: Samuel Joseph Wiseman 51 Prince Charles Dr. North York ON M6A 2H4	Investment Counsel & Portfolio Manager	Jan 18/01
New Registration	Groupe Ad Verticem Inc. Attention: Yves Raymond 111 Boul de L'Hopital Suite 012 Gatineau QC J8T 7V1	Mutual Fund Dealer	Jan 23/01
New Registration	K2 & Associates Investment Management Inc. Attention: Shawn Roland Kimel 440 Adelaide Street West Suite 100 Toronto ON M5V 1S7	Limited Market Dealer (Conditional)	Jan 22/01
Change in Category	McElvaine Investment Management Ltd. c/o Aird & Berlis Attention: Paul H. Bachand BCE Place, Suite 1800 P.O. Box 754, 181 Bay Street Toronto ON M5J 2T9	From: Limited Market Dealer (Conditional) Investment Counsel & Portfolio Manager To: Extra Provincial Adviser Investment Counsel & Portfolio Manager Limited Market Dealer (Conditional)	Jan 10/01
New Recognition	Ashberry Holdings Inc. 78 The Bridle Path Toronto ON M3B 2B1	Exempt Purchaser	Jan 17/01
New Recognition	1446553 Ontario Inc. 8 King Street East Suite 1600 Toronto ON M5C 1B5	Exempt Purchaser	Jan 17/01
New Recognition	Leblanc Technology Inc. c/o Osler, Hoskin & Harcourt Attention: Angie Palmer Box 50, 1 First Canadian Place Toronto ON M5X 1B8	Exempt Purchaser	Jan 23/01
Change of Name	Deutsche Banc Alex. Brown Inc. Attention: Scott Raeburn Cruickshank Deutsche Morgan Grenfell Canada Limited 222 Bay Street, Suite 1100 P.O. Box 64 Toronto ON M5K 1E7	From: Deutsche Bank Securities Inc. To: Deutsche Banc Alex. Brown Inc.	Jan 12/01

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Chapter 13

SRO Notices and Disciplinary Proceedings

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IN THIS ISSUE

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Chapter 25

Other Information

25.1 Other Information

25.1.1 Procyon Biopharma Inc. - ss.51(2)(b)

Headnote

Consent given to OBCA corporation to continue under the laws of Canada.

Statutes Cited

Business Corporations Act, R.S.O. 1990. c. B.16, s. 181.

Canada Business Corporations Act, R.S.C. 1985, c. 144.

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

Regulations Cited

Regulation made under the Business Corporation Act, R.R.O., Reg. 62, as am., s. 51(2)(b).

Regulation made under the Securities Act, R.R.O. 1990, Reg. 1015, as am.

IN THE MATTER OF
THE REGULATIONS MADE UNDER
THE BUSINESS CORPORATIONS ACT (ONTARIO),
R.S.O. 1990, C. B.16, AS AMENDED (the "OBCA") AND
R.R.O. 1999, REG. 62, AS AMENDED (the "Regulation")

AND

IN THE MATTER OF
PROCYON BIOPHARMA INC.

CONSENT
(Subsection 51(2)(b) of the Regulation)

UPON the application of Procyon Biopharma Inc. ("Procyon") to the Ontario Securities Commission (the "Commission") requesting the consent of the Commission to continue in another jurisdiction pursuant to subsection 51(2)(b) of the Regulation;

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

AND UPON Procyon having represented to the Commission that:

1. Procyon is a corporation existing under the OBCA by virtue of its Certificate and Articles of Amalgamation issued November 30, 1996 and is proposing to submit an application to the Director under the OBCA for authorization to continue under the provisions of the *Canada Business Corporations Act* (the "CBCA") pursuant to section 181 of the OBCA (the "Application for Continuance");

2. Procyon's issued and outstanding common shares currently trade on The Toronto Stock Exchange and Procyon is an offering corporation under the provisions of the OBCA and a reporting issuer within the meaning of the *Securities Act* (Ontario) (the "Act");

3. Procyon is not in default of any requirements of the Act or the regulation or rules promulgated thereunder;

4. Procyon is not a party to any proceeding or to the best of its knowledge, information or belief, any pending proceeding under the Act;

5. Procyon currently intends to continue to be a reporting issuer under the Act;

6. Procyon's shareholders authorized the continuance of the corporation under the provisions of the CBCA at a special meeting of shareholders held on November 16, 2000;

7. The Application for Continuance is proposed to be made in order for Procyon to conduct its business and affairs in accordance with the provisions of the CBCA; and

8. The material rights, duties and obligations of a corporation existing under the CBCA are substantially similar to those of a corporation governed by the OBCA.

THE COMMISSION HEREBY CONSENTS to the continuance of Procyon as a corporation under the CBCA.

January 23, 2001.

"Howard I. Wetston" "Theresa McLeod"

25.2.1 Securities

TRANSFER WITHIN ESCROW

COMPANY NAME	DATE	FROM	TO	NO. OF SHARES
TVI Pacific Inc.	December 22, 2000	Span Corp. Limited	Moss Management Inc.	1,470,000
TVI Pacific Inc.	December 22, 2000	Hydrocarbon Limited	Moss Management Inc.	742,500
TVI Pacific Inc.	December 22, 2000	Theodore Max Pandt	Moss Management Inc.	742,500
TVI Pacific Inc.	December 22, 2000	Durrell Finance Ltd.	Moss Management Inc.	742,500
TVI Pacific Inc.	December 22, 2000	Argus Worldwide Holdings Ltd.	Moss Management Inc.	626,250
TVI Pacific Inc.	December 22, 2000	Tetra World Investment Ltd.	Moss Management Inc.	626,250

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