

The Ontario Securities Commission

OSC Bulletin

September 7, 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 Securities Commission

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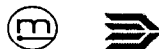


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ADJOURNED SINE DIE

October 3/2001 **Rampart Securities Inc.**
10:00 a.m.

ss.127

Staff in attendance TBA

Panel: TBA

October 5/2001 **Jack Banks et al.**

s. 127

Mr. Tim Moseley in attendance for staff.

Panel: PMM

October 24/2001 **Sohan Singh Koonar**
10:00 a.m.

s. 127 and 127.1

Ms. Johanna Superina in attendance for staff.

Panel: PMM

December 17 **James Frederick Pincock**
/2001
10:00 a.m.

ss. 127

Ms. Johanna Superina in attendance for staff.

Panel: PMM

Buckingham Securities Corporation, Lloyd Bruce, David Bromberg, Harold Seidel, Rampart Securities Inc., W.D. Latimer Co. Limited, Canaccord Capital Corporation, BMO Nesbitt Burns Inc., Bear, Stearns & Co. Inc., Dundee Securities Corporation, Caldwell Securities Limited and B2B Trust

Michael Bourgon

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

First Federal Capital (Canada) Corporation and Monter Morris Friesner

Ricardo Molinari, Ashley Cooper, Thomas Stevenson, Marshall Sone, Fred Elliott, Elliott Management Inc. and Amber Coast Resort Corporation

Global Privacy Management Trust and Robert Cranston

Irvine James Dyck

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

Offshore Marketing Alliance and Warren English

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

PROVINCIAL DIVISION PROCEEDINGS

S. B. McLaughlin

Southwest Securities

Terry G. Dodsley

Date to be
announced

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

s. 122

Ms. M. Sopinka in attendance for staff.

Ottawa

September
17/2001
9:30 a.m.

Einar Bellfield

s. 122

Ms. Sarah Oseni in attendance for staff.

Courtroom 111, Provincial
Offences Court
Old City Hall, Toronto

November 9/
2001
1:30 p.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

Reference:

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

**1.1.2 Commission Approval - TSE Rule 1-101
Definitions**

**THE TORONTO STOCK EXCHANGE
RULE 1-101 DEFINITIONS
NOTICE OF COMMISSION APPROVAL**

On August 28, 2001, the Commission approved an amendment to TSE Rule 1-101 Definitions ("Rule 1-101"). The definition of "Order-Execution Account" in Rule 1-101 was amended in order to clarify that the TSE's direct access rules apply to dealers that have obtained suitability relief from the applicable CSA jurisdictions and to dealers exempted by the Investment Dealers Association of Canada ("IDA") under the IDA's new trade-by-trade suitability rules. A copy and description of the Rule 1-101 amendment was published on June 15, 2001 at (2001) 24 OSCB 3722. No comment letters were received. A revised version of the amendment to Rule 1-101 with changes highlighted in Appendix "A" is being published in Chapter 13 of this Bulletin.

1.2 Notice of Hearing

1.2.1 Wayne S. Umetsu - Amended Notice of Hearing

**IN THE MATTER OF
THE COMMODITY FUTURES ACT, R.S.O. 1990, c.C.20,
AS AMENDED
AND THE SECURITIES ACT, R.S.O. 1990, c. S.5, AS
AMENDED**

AND

**IN THE MATTER OF
WAYNE S. UMETSU**

**AMENDED NOTICE OF HEARING
(Subsection 60(1), *Commodity Futures Act* and
subsection 127(1), *Securities Act*)**

TAKE NOTICE that the Ontario Securities Commission (the "Commission") will hold a hearing pursuant to subsection 60(1) of the *Commodity Futures Act*, R.S.O. 1990, c.C.20, as amended (the "Act"), and subsection 127(1) of the *Securities Act*, R.S.O. 1990, c. S.5, as amended, at the offices of the Commission, on the 17th Floor, Hearing Room, 20 Queen Street West, Toronto commencing on the 10th day of September, 2001 at 10:00 a.m.

TO CONSIDER whether, pursuant to subsection 60(1) and section 60.1 of Act, it is in the public interest for the Commission:

- (i) to make an order that the exemptions contained in Ontario commodity futures law do not apply to the Respondent permanently or for such period as the Commission may direct;
- (ii) to make an order that the Respondent be reprimanded;
- (iii) to make an order prohibiting the Respondent from becoming or acting as a director or officer of any issuer permanently or for such period as the Commission may direct;
- (iv) to make an order that the Respondent pay the costs of the Commission's investigation and this proceeding; and/or
- (v) to make such further orders as the Commission may deem appropriate.

AND TO CONSIDER whether, pursuant to subsection 127(1) of the *Securities Act*, it is in the public interest for the Commission:

- (i) to make an order that the Respondent cease trading in securities permanently or for such time as the Commission may direct;

- (ii) to make an order prohibiting the Respondent from becoming or acting as a director or officer of any issuer permanently or for such period as the Commission may direct; and
- (iii) to reprimand the Respondent.

BY REASON OF the allegations set out in the Amended Statement of Allegations of Staff of the Enforcement Branch of the Commission and such additional allegations as counsel may advise and the Commission may permit;

AND TAKE FURTHER NOTICE that any party to the proceeding may be represented by counsel if that party attends or submits evidence at the hearing;

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

August 23, 2001.

"Rose Gomme" for John Stevenson

1.2.2 Wayne S. Umetsu - Amended Statement of Allegations

**IN THE MATTER OF
THE COMMODITY FUTURES ACT, R.S.O. 1990, c.C.20,
AS AMENDED AND
THE SECURITIES ACT, R.S.O. 1990, c.S.5, AS AMENDED**

AND

**IN THE MATTER OF
WAYNE S. UMETSU**

**AMENDED STATEMENT OF ALLEGATIONS OF
STAFF OF THE ONTARIO SECURITIES COMMISSION**

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

The Respondent

1. Wayne S. Umetsu ("Umetsu") was registered with the Ontario Securities Commission (the "Commission") as a salesperson pursuant to the *Commodity Futures Act* (the "Act") for various periods of time since approximately August, 1981. During the material time, Umetsu was registered with the Commission as a salesperson, pursuant to the Act, with F.C. Canada Investments Inc. ("F.C. Canada") from April 8, 1997 to May 2, 1997 and again with F.C. Canada from December 16, 1997 to February 28, 1998. F.C. Canada was, at the material time, registered as an Introducing Broker pursuant to the Act.
2. Umetsu was not registered with the Commission in any capacity during the period between May 2, 1997 and December 16, 1997.
3. Umetsu has not been registered with the Commission in any capacity since his employment with F.C. Canada was terminated on February 28, 1998.

Facts

4. W. E. is an individual who was a client of Umetsu.
5. In or around April, 1997, W.E. attended an information seminar hosted by F.C. Canada that was advertised as an opportunity to learn about commodities, futures and options trading (the "Seminar"). W.E. met Umetsu (then a salesperson employed by F.C. Canada) at the Seminar who advised W.E. that he had 15 years experience trading in futures contracts.
6. At the Seminar W.E. asked Umetsu about investing and opening an account with F.C. Canada. Umetsu advised W.E. that he would be leaving F.C. Canada in the near future and joining a better investment company. Umetsu requested that W.E. wait to make his investment until Umetsu had joined the new company.

7. Umetsu left the employ of F.C. Canada on or about May 2, 1997, at which time his registration as a salesperson was suspended pursuant to the Act.
8. In early May, 1997, Umetsu joined Prime Canadian Futures Company ("Prime") (an Investment Dealers Association of Canada member). Prime was registered as a Futures Commission Merchant under the Act. Prime did not, however, at any time provide the Commission with notice in writing of Umetsu's employment by Prime. As such, Umetsu's registration as a salesperson under the Act was not reinstated when he became employed by Prime.
9. On or about May 7, 1997, W.E. met with Umetsu at Prime's office to open an account. Umetsu did not advise W.E. that he was no longer registered under the Act to trade in contracts.
10. Between May 27, 1997 and September 16, 1997, W.E. deposited \$23,000 into his account at Prime. W.E. instructed Umetsu to effect certain transactions in a commodity futures contract and three commodity futures contracts were in fact purchased and sold in W.E.'s account at Prime.
11. Late in the summer of 1997, Umetsu advised W.E. that he was moving to a new company and W.E. agreed to keep his business with Umetsu rather than transfer it to another representative at Prime. W.E. withdrew all funds from his account at Prime and received two cheques dated September 22, 1997 for Cdn\$11,000 and US\$5,342. At this time there were no open contracts in his account at Prime, but W.E. believed that Umetsu had between 10 and 20 commodity futures contracts for him in an account under Umetsu's name.
12. On September 23, 1997, Umetsu instructed W.E. to make a cheque payable to "LFG, care of Wayne Umetsu", so that Umetsu could transfer W.E.'s account to Umetsu's new firm. Later the same day, Umetsu contacted W.E. and requested him to reissue the cheque to Umetsu personally. Umetsu picked up the \$19,000 cheque at W.E.'s home and deposited it into his personal account at Canada Trust. Umetsu made no investment on behalf of W.E. with respect to the \$19,000.
13. At Umetsu's request, on October 31, 1997, W.E. made an emergency wire transfer to Umetsu's account at Canada Trust in the amount of \$15,000. W.E. was advised by Umetsu that funds were required to protect his investments. Umetsu made no investment on behalf of W.E. with respect to the \$15,000.
14. On or about December 23, 1997, W.E. provided Umetsu with a cheque in the amount of \$1,000 to be invested and the cheque was deposited into Umetsu's account at Canada Trust. Umetsu made no investment on behalf of W.E. with respect to the \$1,000.
15. Between March 17, 1998 and July 23, 1998, W.E. paid another \$44,500 (cash of \$3,500 and six cheques totaling \$41,000) to Umetsu for the purposes of investment which was deposited into Umetsu's account

at Canada Trust. Again, Umetsu made no investment on behalf of W.E. with respect to the \$44,500.

16. By a handwritten agreement dated December 7, 1999 (the "Agreement"), Umetsu agreed to pay back to W.E. the sum of \$150,000 in connection with the monies given to him by W.E. for investment purposes. In connection with the Agreement, Umetsu provided W.E. with 6 postdated cheques totaling \$100,000. W.E. attempted to cash the first cheque, but it was returned NSF. Shortly thereafter, Umetsu advised W.E. that he did not intend to honour the Agreement.
17. Umetsu breached the Act by trading in futures contracts without being registered to do so contrary to section 22 of the Act, by holding himself out as being registered to trade in futures contracts contrary to section 52 of the Act and by misappropriating monies provided to him by W.E. for investment purposes.

Conduct Contrary To the Public Interest

18. The conduct of Umetsu as described above was contrary to the public interest.

Other

19. Such further and other allegations as Staff may make and the Commission may permit.

August 23, 2001.

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Chapter 2

Decisions, Orders and Rulings

2.1 Decisions

2.1.1 Regional Cablesystems Inc. and Persona Inc. - MRRS Decision

Headnote

First trade in common shares acquired pursuant to the exercise of options or rights occurring within 12 months of a statutory arrangement involving the issuer of such options or rights and a reporting issuer for more than 12 months is not subject to the prospectus requirements subject to certain conditions.

Statutes Cited

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

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

AND

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

AND

**IN THE MATTER OF
REGIONAL CABLESYSTEMS INC. AND
PERSONA INC.**

MRRS DECISION DOCUMENT

WHEREAS the local securities regulatory authority or regulator (the "Decision Makers") in each of the Provinces of Alberta, Ontario, Nova Scotia and Newfoundland (the "Jurisdictions") has received an application (the "Application") from Regional Cablesystems Inc. ("Regional") and Persona Inc. ("Persona") for a decision pursuant to the securities legislation of the Jurisdictions (the "Legislation") that certain first trades in Persona Common Shares (defined below) acquired pursuant to the exercise of Persona Options (defined below) or Persona Rights (defined below) shall not be subject to the prospectus requirements of the Legislation provided that certain conditions are satisfied;

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

AND WHEREAS Regional has represented to the Decision Makers that:

1. Regional is a corporation governed under the laws of Canada;
2. Regional is, and has been for a period in excess of 12 months, a reporting issuer under the Act;
3. Regional's authorized capital consists of an unlimited number of common shares without nominal or par value (the "Regional Common Shares"), of which 16,500,203 were issued and outstanding as at July 18, 2001, and the Regional Common Shares are listed and posted for trading on The Toronto Stock Exchange;
4. Regional's principal business and head office is located at 17 Duffy Place, St. John's, Newfoundland, A1B 4L1;
5. Regional has a shareholder rights plan (the "Regional Rights Plan") pursuant to which 16,500,203 rights to purchase Regional Common Shares (one Regional Common Share per right) were outstanding as at July 18, 2001;
6. Regional has an employee share option plan (the "Regional ESOP") pursuant to which options to purchase 766,044 Regional Common Shares were outstanding as at July 18, 2001;
7. Regional has proposed a reorganization by way of an arrangement (the "Arrangement") pursuant to the Canadian Business Corporations Act (the "CBCA") that will result in Persona acquiring all of the issued and outstanding Regional Common Shares;
8. Persona is a corporation incorporated under the law of Canada, was incorporated for the purpose of facilitating the Arrangement and currently has no material assets or liabilities;
9. upon completion of the Arrangement, the authorized capital of Persona will consist of an unlimited number of Persona common shares without nominal or par value (the "Persona Common Shares") and an unlimited number of preferred shares issuable in series and the Articles and bylaws of Persona will be substantially the same as those of Regional as they presently exist;
10. Persona will adopt a shareholder rights plan (the "Persona Rights Plan") identical in terms to the Regional Rights Plan;
11. Persona will adopt an employee share plan (the "Persona ESOP") identical in terms to the Regional ESOP;

12. the following steps will occur in the following order as part of the Arrangement effective as of the date of the certificate giving effect to the Arrangement (the "Effective Date"), which is currently expected to be September 1, 2001:
- A. each Regional Common Share (other than such shares held by dissenting shareholders) shall be and be deemed to be exchanged with Persona for the sole consideration of one Persona Common Share;
 - B. each right issued under the Regional Rights Plan (a "Regional Right") will be exchanged with Persona for the sole consideration of one right issued under the Persona Rights Plan (a "Persona Right");
 - C. Regional and each of several cable television companies operating in Canada (the "Amalgamating Subsidiaries") that are wholly-owned by Regional will amalgamate and continue as one corporation under the CBCA;
 - D. options to purchase Regional Common Shares under the Regional ESOP ("Regional Options") shall be and shall be deemed to be exchanged with Persona for the same number of options to purchase Persona Common Shares (at the same prices) pursuant to the Persona ESOP ("Persona Options") having the same terms and conditions and the existing Regional ESOP shall terminate; and
 - E. the stated capital of the Persona Common Shares shall be the same as the stated capital of the Regional Common Shares, as determined under generally accepted accounting principles, subject to any other determination in respect thereof, in accordance with the CBCA by the board of directors of Regional or Persona, as the case may be;
13. as a result of the Arrangement, Regional will become a wholly-owned subsidiary of Persona and Regional will be amalgamated with the Amalgamating Subsidiaries. Immediately after the Arrangement, the only asset of Persona will be the Regional Common Shares that it acquires from the holders of Regional Common Shares in exchange for issuing Persona Common Shares to them. The articles and bylaws of Persona will be substantially the same as the current articles and bylaws of Regional;
14. the Regional shareholders will be asked to approve the Arrangement at the meeting to be held August 22, 2001 in Toronto, Ontario (the "Meeting"), at which a shareholders Arrangement must be approved by at least 66-2/3% of the votes cast at the meeting;
15. a management proxy statement and information circular dated July 18, 2001 (the "Circular") has been delivered to the Regional shareholders in connection with the Meeting, which contains among other things, prospectus level disclosure of the business and affairs of each of Regional and Persona and the particulars of the Arrangement. The Circular has been filed on SEDAR;
16. each Regional Shareholder will be entitled to dissent from the Arrangement in accordance with section 190 of the CBCA and to be paid the fair value of such holder's Regional Common Shares subject to certain conditions described in the Circular;
17. it is anticipated that the Arrangement will become effective on September 1, 2001, after the requisite court and shareholder approvals have been obtained and all other conditions to the Arrangement have been satisfied or waived; and
18. Persona will become a reporting issuer on completion of the Arrangement by operation of the Legislation.
- AND WHEREAS** under the System this MRRS Decision Document evidences the decision 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 Makers with the jurisdiction to make the Decision has been met;
- THE DECISION** of the Decision Makers under the Legislation is that the first trade in Persona Common Shares acquired pursuant to the exercise of Persona Options or Persona Rights, as applicable, (including Persona Options or Persona Rights, granted in substitution for Regional Options or Regional Rights, as applicable) occurring within twelve months after the Effective Date, where such first trade would be a distribution under the Legislation but for the satisfaction of certain conditions, including that, at the time of the first trade, Persona has been a reporting issuer for twelve months, shall not be subject to the prospectus requirements of the Legislation provided that:
- Persona is, at the time of such first trade, a reporting issuer under the Legislation of the Jurisdiction where the trade occurs;
- 1. no unusual effort is made to prepare the market or to create a demand for the Persona Common Shares and no extraordinary commission or consideration has been paid in respect of the trade;
 - 2. the vendor of the Persona Common Shares, if in a special relationship with Persona, has no reasonable grounds to believe that Persona is in default of any requirement under the Legislation of the Jurisdiction where the trade occurs;
 - 3. disclosure to the Decision Makers has been made of the issuance of the Persona Common Shares acquired pursuant to the exempt trade; and

4. the trade is not a distribution from the holdings of a person or company or a combination of persons or companies holding a sufficient number of any securities of Persona so as to affect materially the control of Persona or more than 20% of the outstanding voting securities of Persona except where there is evidence showing that the holding of those securities does not affect materially the control of Persona.

August 21, 2001.

"Anthony Patey"

2.1.2 Comerica Bank - MRRS Decision

Headnote

Mutual Reliance Review System - underwriter and advisor registration relief for Schedule III Bank - prospectus and registration relief for trades where Schedule III Bank purchasing as principal and first trade relief for Schedule III Bank, subject to certain conditions - prospectus and registration relief for trades of bonds, debentures and other evidences of indebtedness of or guaranteed by Schedule III Bank provided trades with specified purchasers - prospectus and registration relief for evidences of deposits by Schedule III Bank to specified purchasers - registration relief similar to the relief available to financial intermediaries - fee relief for trades made in reliance on Decision.

Applicable Statutory Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 1(1) "underwriter", 25(1)(a), 34(a), 35(1)(3), 35(2)(1)(c), 53(1), 72(1)(a)(i), 74, 147.

Applicable Rules

Rule 32-502 - Registration Exemption for Certain Trades by Financial Intermediaries.

Regulations Cited

Regulation made under the Securities Act, R.R.O. 1990, Reg. 1015, as am., s. 204, Schedule I s. 28.

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

AND

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

AND

IN THE MATTER OF
COMERICA BANK

MRRS DECISION DOCUMENT

WHEREAS the Canadian securities regulatory authority or regulator (the "Decision Maker") in each of the provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, New Brunswick, Nova Scotia, Prince Edward Island, Newfoundland and Labrador and the Northwest Territories, Nunavut Territory and Yukon Territory (the "Participating Jurisdictions") has received an application (the "Application") from Comerica Bank ("Comerica Bank") for a decision pursuant to the securities legislation of the Participating

Jurisdictions (the "Legislation") that Comerica Bank is exempt from various registration, prospectus and filing requirements of the Legislation in connection with the banking activities to be carried on by Comerica Bank in the Participating Jurisdictions;

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 Comerica Bank to the Decision Makers that:

1. Comerica Bank is the principal bank subsidiary of Comerica Incorporated in the United States. Comerica Bank has maintained an active presence in Canada since 1996. Comerica Bank-Canada is a foreign bank subsidiary of Comerica Bank currently listed on Schedule II of the *Bank Act* (Canada) (the "Bank Act").
2. Comerica Bank-Canada provides a wide range of corporate banking services to Canadian companies and subsidiaries of U.S. companies carrying on business in Canada, including cash management, foreign exchange, credit and related banking services. Local treasury operations of Comerica Bank-Canada provide funding and liquidity for the various activities of Comerica Bank-Canada. Comerica Bank-Canada is an active participant in the overnight interbank market, accepts term deposits from major Canadian and multinational corporations and derives a portion of its funding from brokered deposits. These deposits are evidenced by certificates of deposit registered in the holder's name, bearer deposit notes or printed confirmations addressed to the depositor. The treasury function within Comerica Bank-Canada also engages in derivatives activities.
3. Comerica Bank will only accept deposits from the following:
 - (a) Her Majesty in right of Canada or in right of a province or territory, an agent of Her Majesty in either of those rights and includes a municipal or public body empowered to perform a function of government in Canada, or an entity controlled by Her Majesty in either of those rights;
 - (b) the government of a foreign country or any political subdivision thereof, an agency of the government of a foreign country or any political subdivision thereof, or an entity that is controlled by the government of a foreign country or any political subdivision thereof;
 - (c) an international agency of which Canada is a member, including an international agency that is a member of the World Bank Group, the Inter-American Development Bank, the Asian Development Bank, the Caribbean Development Bank and the European Bank for Reconstruction and Development and any other international regional bank;

- (d) a financial institution (i.e.: (a) a bank or an authorized foreign bank under the *Bank Act*; (b) a body corporate to which the *Trust and Loan Companies Act* (Canada) applies; (c) an association to which the *Cooperative Credit Association Act* (Canada) applies; (d) an insurance company or a fraternal benefit society to which the *Insurance Companies Act* (Canada) applies; (e) a trust, loan or insurance corporation incorporated by or under an Act of the legislature of a province or territory in Canada; (f) a cooperative credit society incorporated and regulated by or under an Act of the legislature of a province or territory in Canada; (g) an entity that is incorporated or formed by or under an Act of Parliament or of the legislature of a province or territory in Canada and that is primarily engaged in dealing in securities, including portfolio management and investment counselling, and is registered to act in such capacity under the applicable Legislation; and (h) a foreign institution that is (i) engaged in the banking, trust, loan or insurance business, the business of a cooperative credit society or the business of dealing in securities or is otherwise engaged primarily in the business of providing financial services, and (ii) is incorporated or formed otherwise than by or under an Act of Parliament or of the legislature of a province or territory in Canada);
 - (e) a pension fund sponsored by an employer for the benefit of its employees or employees of an affiliate that is registered and that has total plan assets under administration of greater than \$100 million;
 - (f) a mutual fund corporation that is regulated under an Act of the legislature of a province or territory in Canada or under the laws of any other jurisdiction and that has total assets under administration of greater than \$10 million;
 - (g) an entity (other than an individual), that for the fiscal year immediately preceding the initial deposit, had gross revenues on its own books and records of greater than \$5 million; or
 - (h) any other person if the trade is in a security which has an aggregate acquisition cost to the purchaser of greater than \$150,000;
- collectively referred to for purposes of this Decision as "Authorized Purchasers".
4. In June of 1999 amendments to the *Bank Act* were proclaimed that permit foreign commercial banks to establish direct branches in Canada. These amendments have created a new Schedule III to the *Bank Act* listing foreign banks permitted to carry on banking activities through branches in Canada.
 5. Comerica Bank is seeking an order under the *Bank Act* permitting it to establish a full service branch under the *Bank Act* to be listed on Schedule III to the *Bank Act*.

Comerica Bank will take over the current corporate banking services and treasury functions currently conducted by Comerica Bank-Canada.

6. The Legislation applicable in each Participating Jurisdiction refers to either "Schedule I and Schedule II banks", "banks", "savings institutions" or "financial institutions" in connection with certain exemptions; however no reference is made in any of the Legislation to entities listed on Schedule III to the Bank Act.
7. In order to ensure that Comerica Bank, as an entity listed on Schedule III to the Bank Act, is able to provide banking services to businesses in the Participating Jurisdictions, it requires the same exemptions as other federally regulated banks to the extent that the current exemptions applicable to Schedule I and II banks are relevant to the business being undertaken by Comerica Bank-Canada in the Participating Jurisdictions.
8. Comerica Bank will be performing certain foreign exchange advisory services in connection with its principal banking business.

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 upon the establishment by Comerica Bank of a branch designated on Schedule III to the Bank Act and in connection with the banking business to be carried on by Comerica Bank through such branch in the Participating Jurisdictions:

1. Comerica Bank is exempt from the requirement under the Legislation, where applicable, to be registered as an underwriter with respect to trading in the same types of securities that an entity listed on Schedule I or II to the Bank Act may act as an underwriter in respect of without being required to be registered under the Legislation as an underwriter;
2. Comerica Bank is exempt from the requirement under the Legislation to be registered as an adviser where the performance of the service as an adviser is solely incidental to its primary banking business;
3. A trade of a security to Comerica Bank and where Comerica Bank purchases the security as principal shall be exempt from the registration and prospectus requirements of the Legislation of the Participating Jurisdiction in which the trade takes place (the "Applicable Legislation") provided that:
 - (a) the forms that would have been filed and the fees that would have been paid under the Applicable Legislation if the trade had been made, on an exempt basis, to an entity listed on Schedule I or II to the Bank Act purchasing as

principal (referred to in this Decision as a "Schedule I or II Bank Exempt Trade") are filed and paid in respect of the trade to Comerica Bank; and

- (b) the first trade in a security acquired by Comerica Bank pursuant to this Decision is deemed a distribution (or primary distribution to the public) under the Applicable Legislation unless:
 - (i) the issuer of the security is a reporting issuer, or the equivalent, under the Applicable Legislation and, if Comerica Bank is in a special relationship (where such term is defined in the Applicable Legislation) with such issuer, Comerica Bank has reasonable grounds to believe that such issuer is not in default of any requirements of the Applicable Legislation;
 - (ii) (a) the securities are listed and posted for trading on a stock exchange, that is recognized by the Decision Maker of the applicable Participating Jurisdiction for purposes of the resale of a security acquired in a Schedule I or II Bank Exempt Trade, and comply with the requirements of either clause 433(1)(m) or (n), as the case may be, of the *Insurance Act* (Ontario) (the "Insurance Act"), set out in paragraph (a) or (b) of Appendix A to this Decision Document and have been held at least six months from the date of the initial exempt trade to Comerica Bank or the date the issuer became a reporting issuer, or the equivalent, under the Applicable Legislation, whichever is the later, or
(b) the securities are bonds, debentures or other evidences of indebtedness issued or guaranteed by an issuer or are preferred shares of an issuer and comply with the requirements of either of clause 433(1)(k) or (m) of the *Insurance Act* set out in paragraph (a) or (c) of Appendix A to this Decision Document, and have been held at least six months from the date of the initial exempt trade to Comerica Bank or the date the issuer became a reporting issuer, or the equivalent, under the Applicable Legislation, whichever is the later, or
(c) the securities are listed and posted for trading on a stock exchange, that is recognized by

the Decision Maker of the applicable Participating Jurisdiction for purposes of the resale of a security acquired in a Schedule I or II Bank Exempt Trade, or are bonds, debentures or other evidences of indebtedness issued or guaranteed by the reporting issuer, or the equivalent, under the applicable Participating Jurisdiction whose securities are so listed, and have been held at least one year from the date of the initial exempt trade to Comerica Bank or the date the issuer became a reporting issuer, or the equivalent, under the Applicable Legislation, whichever is later, or

(d) the securities have been held at least eighteen months from the date of the initial exempt trade to Comerica Bank or the date the issuer became a reporting issuer, or the equivalent, under the Applicable Legislation, whichever is later; and

(iii) Comerica Bank files a report within 10 days of the trade prepared and executed in accordance with the requirements of the Applicable Legislation that would apply to a Schedule I or II Bank Exempt Trade,

provided that no unusual effort is made to prepare the market or to create a demand for such securities and no extraordinary commission or consideration is paid in respect of such trade and provided Comerica Bank does not hold sufficient number of securities to materially affect the control of the issuer of such securities but any holding by Comerica Bank of more than 20 per cent of the outstanding voting securities of the issuer of such securities shall, in the absence of evidence to the contrary, be deemed to affect materially the control of such issuer;

4. Provided Comerica Bank only trades the types of securities referred to in this paragraph 4 with Authorized Purchasers, trades of bonds, debentures or other evidences of indebtedness of or guaranteed by Comerica Bank shall be exempt from the registration and prospectus requirements of the Legislation; and

5. Evidences of deposit issued by Comerica Bank to Authorized Purchasers shall be exempt from the registration and prospectus requirements of the Legislation.

THE FURTHER DECISION of the Decision Maker in Ontario is that upon the establishment by Comerica Bank of a branch designated on Schedule III to the Bank Act and in connection with the banking business to be carried on by Comerica Bank through such branch in Ontario:

A. Paragraph 25(1)(a) of the *Securities Act* (Ontario) R.S.O. 1990 c. S.5 (as amended) (the "Ontario Act") does not apply to a trade by Comerica Bank:

(i) of a type described in subsection 35(1) of the Ontario Act or section 151 of the Regulations made under the Ontario Act; or

(ii) in securities described in subsection 35(2) of the Ontario Act; and

B. Except as provided for in paragraph 3 of this Decision, section 28 of Schedule I to the Regulations made under the Ontario Act shall not apply to trades made by Comerica Bank in reliance on this Decision.

August 28, 2001.

"Paul M. Moore"

"R. Stephen Paddon"

APPENDIX A

Securities that are:

- (a) preferred shares of a corporation if,
 - (i) the corporation has paid a dividend in each of the five years immediately preceding the date of the initial exempt trade at least equal to the specified annual rate upon all of its preferred shares, or
 - (ii) the common shares of the corporation are, at the date of the initial exempt trade, in compliance with paragraph (b) of this Appendix A;
- (b) fully paid common shares of a corporation that during a period of five years that ended less than one year before the date of the initial exempt trade has either,
 - (i) paid a dividend in each such year upon its common shares, or
 - (ii) had earnings in each such year available for the payment of a dividend upon its common shares of at least 4% of the average value at which the shares were carried in the capital stock account of the corporation during the year in which the dividend was paid or in which the corporation had earnings available for the payment of dividends as the case may be;
- (c) bonds, debentures or other evidences of indebtedness issued or guaranteed by,
 - (i) a corporation if, at the date of the initial exempt trade, the preferred shares or the common shares of the corporation which comply with paragraph (a) or (b) of this Appendix A, or
 - (ii) a corporation if its earnings in a period of five years ended less than one year before the date of the initial exempt trade have been equal in sum total to at least ten times and in each of any four of the five years have been equal to at least 1-1/2 times the annual interest requirements at the date of the initial exempt trade on all indebtedness of or guaranteed by it, other than indebtedness classified as a current liability in its balance sheet, and, if the corporation at the date of the initial exempt trades owns directly or indirectly more than 50% of the common shares of another corporation, the earnings of the corporations during the said period of five years may be consolidated with due allowance for minority interests, if any, and in that event

the interest requirements of the corporation shall be consolidated and such consolidated earnings and consolidated interest requirements shall be taken as the earnings and interest requirements of the corporation, and, for the purpose of this subclause, "earnings" mean earnings available to meet interest charges on indebtedness other than indebtedness classified as a current liability.

2.1.3 Provident Energy Ltd. - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications - corporation deemed to have ceased to be a reporting issuer when all of its issued and outstanding securities were acquired 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 ALBERTA, SASKATCHEWAN, ONTARIO
QUÉBEC AND NOVA SCOTIA**

AND

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

AND

**IN THE MATTER OF
PROVIDENT ENERGY LTD.**

MRRS DECISION DOCUMENT

1. **WHEREAS** the local securities authorities or regulators (the "Decision Makers") in Alberta, Saskatchewan, Ontario, Québec and Nova Scotia (the "Jurisdictions") have received an application from Provident Energy Ltd. ("Provident") for a decision under the securities legislation of the Jurisdictions (the "Legislation") that Provident be deemed to have ceased to be a reporting issuer under the Legislation.
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** Provident has represented to the Decision Makers that:
 - 3.1 Provident was formed by the amalgamation (the "Amalgamation") of Provident Energy Ltd. and Maxx Petroleum Ltd. ("Maxx") under the *Business Corporation Act* (Alberta) (the "ABCA") effective May 25, 2001;
 - 3.2 Provident's head office is located in Calgary, Alberta;
 - 3.3 Provident is a reporting issuer in the Jurisdictions and became a reporting issuer in Alberta as a result of the Amalgamation;
 - 3.4 other than its failure to file an annual information form in Ontario and Québec for the year ended December 31, 2000 and its failure to file first

- quarter interim financial statements in the Jurisdictions for the period ended March 31, 2001, Provident is not in default of any of the requirements of the Legislation;
- 3.5 the authorized capital of Provident consists of an unlimited number of common shares of which there is currently one common share outstanding (the "Common Share");
- 3.6 effective May 25, 2001, Provident Energy Ltd., Maxx and Provident Energy Trust (the "Trust") were reorganized by a plan of arrangement (the "Arrangement") pursuant to section 186 of the ABCA;
- 3.7 under the terms of the Arrangement:
 - 3.7.1 all outstanding common shares in Maxx were exchanged for unsecured subordinated acquisition notes (the "Acquisition Notes") on the basis of one Acquisition Note for one Maxx common share;
 - 3.7.2 all of the Acquisition Notes were exchanged for units of the Trust ("Trust Units") and cash or cash; and
 - 3.7.3 Provident Energy Ltd. and Maxx amalgamated and continued as Provident;
- 3.8 the Trust is a reporting issuer in the Jurisdictions and the Trust Units are listed on The Toronto Stock Exchange (the "TSE") and the American Stock Exchange (the "ASE");
- 3.9 the Trust now holds the Common Share, all of the Acquisition Notes and all of the notes which were issued in connection with a plan of arrangement effective March 6, 2001 involving the Trust, Provident Energy Ltd. and Founders Energy Ltd. (the "Founders Notes");
- 3.10 the common shares of Maxx were delisted from the TSE and the ASE at the close of trading on June 4, 2001, and no securities of Maxx or Provident are listed or quoted on any exchange or market;
- 3.11 other than the Common Share, the Acquisition Notes, the Founders Notes and a \$125 million fixed and floating charge debenture which was granted as security to a Canadian chartered bank in connection with Provident's current credit facility, Provident has no securities, including debt securities, outstanding; and
- 3.12 Provident does not intend to seek public financing by way of an offering of its 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 under the Legislation is that Provident is deemed to have ceased to be a reporting issuer under the Legislation.

August 2, 2001.

"Patricia M. Johnston"

2.1.4 Aberdeen SCOTS Trust - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications - relief granted to Trust from requirement to file and deliver to security holders interim financial statements for the period ended June 30, 2001.

Applicable Ontario Statutory Provision

Securities Act, R.S.O. 1990, c.S.5, as am. Ss.6(3), ss.77, 79, 80(b)(iii).

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

AND

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

AND

**IN THE MATTER OF
ABERDEEN SCOTS TRUST**

MRRS DECISION DOCUMENT

WHEREAS the local securities regulatory authority or regulator (the "Decision Maker") in each of Ontario, British Columbia, Alberta, Saskatchewan, Manitoba, Nova Scotia and Newfoundland (the "Jurisdictions") has received an application from Aberdeen SCOTS Trust (the "Trust") for a decision under the securities legislation (the "Legislation") of the Jurisdictions that the Trust be exempted from filing and distributing to security holders semi-annual financial statements for the interim period ended June 30, 2001, as would otherwise be required pursuant to applicable Legislation;

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 Trust has represented to the Decision Maker that:

1. The Trust was established under the laws of Ontario pursuant to a trust agreement dated June 18, 2001, *inter alia*, State Street Trust Company Canada, the trustee of the Trust (the "Trustee") and Aberdeen Asset Managers (C.I.) Limited (the "Investment Manager"), the investment manager of the Trust.
2. The head office of the Trust is 100 King Street West, Suite 3500, P.O. Box 23, Toronto, Ontario M5X 1A9.

3. The Trust is authorized to issue an unlimited number of transferable, redeemable trust units (the "Units") of one class, each of which represents an equal, undivided interest in the net assets of the Trust.
4. The undertaking of the Trust is to own a portfolio of securities and to derive income and capital gains from these securities.
5. The Trust became a reporting issuer or the equivalent in each of the Jurisdictions by virtue of it filing with the securities regulatory authority in each of the provinces and territories of Canada a long form prospectus dated June 18, 2001 (the "Prospectus") qualifying the issuance of up to a maximum of 12,000,000 Units (plus up to 15% of the number of Units issued pursuant to the over-allotment).
6. On June 28, 2001, the Trust issued 9,400,000 Units at an issuance price of \$25 per Unit pursuant to the closing of its initial public offering. The Units were listed and posted for trading on the Toronto Stock Exchange on June 28, 2001. On July 11, 2001 the Trust issued a further 370,585 Units pursuant to the exercise of the over-allotment option granted to the agents in connection with the Trust's initial public offering.
7. The Units are redeemable at the option of the holder on a monthly basis at a price computed by reference to the value of a proportionate interest in the net assets of the Trust. As a result, the Trust is a "mutual fund" under the securities legislation of certain provinces of Canada (excluding the Province of Quebec).
8. The operation of the Trust differs from that of a conventional mutual fund as contemplated in National Instrument 81-102 ("NI 81-102") in several ways. These differences are elaborated in the decision document dated June 18, 2001 issued by the Ontario Securities Commission on behalf of the securities regulatory authority in each of the provinces and territories of Canada other than the Province of Quebec pursuant to which the Trust was exempted from certain requirements of NI 81-102.
9. The Trust's investment objectives are: (i) to return the original issue price of the Units to the holders of the Units (the "Unitholders") upon termination of the Trust on or about the termination date of the Trust; (ii) to provide Unitholders with a stable stream of monthly distributions targeted to be at least \$0.1823 per Unit (\$2.1875 per annum or 8.75% on the original issue price); and (iii) to preserve and potentially enhance the value of the Trust's managed portfolio in order to provide Unitholders with capital appreciation above the original issue price.
10. To provide the Trust with the means to return the original purchase price of the Units, the Trust has entered into forward purchase and sale agreements and has acquired a portfolio of equity securities. Also, the Trust has invested in a diversified portfolio of securities consisting of the securities of the companies selected from the Dow Jones Global Titans Index and the MSCI World Index, each with a market capitalization in excess of US \$10 billion.
11. The Trust will terminate on December 31, 2013, subject only to early termination or extension approved by Unitholders.
12. Unlike a conventional mutual fund in which the fund's securities are offered to the public on a continuous basis, the Trust does not intend to issue additional Units, subject to limited exceptions described in the Prospectus.
13. The Trustee is the trustee of the Trust and acts as custodian of the assets of the Trust. The Investment Manager is the promoter of the Trust and provides investment advisory and portfolio management services to the Trust. The Investment Manager retained Aberdeen Asset Managers Limited, a related company to the Investment Manager, to assist it in providing investment management services to the Trust.
14. The Prospectus included an audited balance sheet of the Trust as at June 18, 2001 and an unaudited pro forma balance sheet as at June 18, 2001 prepared on the basis of the completion and sale of 12,000,000 Units, the maximum number of Units of the Trust being qualified for distribution by the Prospectus. On June 28, 2001, the Trust actually issued 9,400,000 pursuant to its initial public offering. While there is a difference between the number of Units actually issued by the Trust on June 28, 2001 and the number of Units upon which the June 18, 2001 pro forma balance sheet was based, it is submitted that this difference would not be material to Unitholders for several reasons. First of all, the number of Units actually issued by the Trust (9,400,000) is in the middle of the range between the minimum (6,000,000) and maximum (12,000,000) number of Units qualified by the Prospectus and is therefore likely in line with investors' general expectations for the Trust's initial public offering. Second, since the Trust operates as an investment trust and since the Trust raised substantially more pursuant to its initial public offering than the minimum offering contemplated by the Prospectus, it is unlikely that disclosure of this difference would be of significance to Unitholders. In any event, a press release was issued by the Trust on June 28, 2001 announcing to the public the actual number of Units that were issued by the Trust pursuant to its initial public offering.
15. The Trust only came into existence on June 18, 2001 and had only two business days of operations after the closing of its initial public offering on June 28, 2001 prior to the end of the interim period for which the semi-annual financial statements of the Trust for the period ended June 30, 2001 would be required. Also, prior to June 28, 2001 the Trust had no significant assets or operations.
16. The benefit to be derived by the security holders of the Trust from receiving the Trust's semi-annual financial statements for the period ended June 30, 2001 would be minimal given (i) the extremely short period from the date of the Prospectus to the end of the applicable

interim period; (ii) that the Trust had not yet fully invested its funds by the end of the applicable interim period; and (iii) the disclosure already provided in the Prospectus and (iv) there were no material changes from June 28, 2001 to June 30, 2001.

17. The expense to the Trust of preparing, filing and sending to its security holders the Trust's semi-annual financial statements for the period ended June 30, 2001 would not be justified in view of the minimal benefit to be derived by the security holders from receiving such statements and would be detrimental to security holders in light of the unnecessary costs that would, as a consequence, be incurred by the Trust.
18. The annual audited financial statements for the Trust for the period ending December 31, 2001 and the interim unaudited financial statements for the period ending June 30, 2002 will include the period from June 18, 2001 to June 30, 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 is satisfied that the test contained in the Legislation that provides the Decision Maker with the jurisdiction to make the Decision has been met;

IT IS HEREBY DECIDED by the Decision Makers pursuant to the Legislation that the Trust is exempted from, where applicable, filing and delivering to its security holders semi-annual financial statements for the period ended June 30, 2001, provided the annual audited financial statements for the Trust for the period ending December 31, 2001 and the interim unaudited financial statements for the period ending June 30, 2002 will include the period from June 18, 2001 to June 30, 2001.

August 29, 2001.

"Paul Moore"

"David Brown"

2.1.5 Dundee Realty Corporation - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications - Dutch auction issuer bid - With respect to securities tendered at or below the clearing price, offer providing for full take-up of and payment for shares tendered by odd lot holders, as well as additional purchases from certain shareholders in order to prevent the creation of odd lots - Offeror exempt from the requirement in the legislation to take up and pay for securities proportionately according to the number of securities deposited by each securityholder and the associated disclosure requirement, the requirement to disclose the exact number of shares it intends to purchase, and from the valuation requirement on the basis that there is a liquid market for the securities.

Ontario Statutes Cited

Securities Act, R.S.O. 1990, c. S.5, as am, ss. 95(7) and 104(2)(c).

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

AND

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

AND

**IN THE MATTER OF
DUNDEE REALTY CORPORATION**

MRRS DECISION DOCUMENT

WHEREAS the local securities regulatory authority or regulator (the "Decision Maker") in each of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, Nova Scotia and Newfoundland (collectively, the "Jurisdictions") has received an application (the "Application") from Dundee Realty Corporation ("Dundee") for a decision pursuant to the securities legislation of the Jurisdictions (the "Legislation") that, in connection with the proposed purchase by Dundee of a portion of its outstanding common shares (the "Shares") pursuant to an issuer bid (the "Offer"), Dundee be exempt from the requirements in the Legislation to:

- (i) take-up and pay for securities proportionately according to the number of securities deposited and not withdrawn by each securityholder (the "Proportionate Take-up and Payment Requirement");
- (ii) provide disclosure in the issuer bid circular (the "Circular") of such proportionate take-up and payment (the "Associated Disclosure Requirement");

- (iii) state the number of securities sought under the Offer (the "Number of Securities Requirement"); and
- (iv) obtain a valuation of the Shares and provide disclosure in the Circular of such valuation, or a summary thereof (the "Valuation 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 the Application;

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

1. Dundee is a reporting issuer or the equivalent in each of the Jurisdictions other than Newfoundland.
 2. Dundee is not in default of any requirement of the Legislation and is not on the list of defaulting reporting issuers maintained pursuant to such Legislation, where applicable.
 3. The authorized capital of Dundee includes an unlimited number of Shares, of which 19,302,636 were issued and outstanding as of August 1, 2001.
 4. The Shares are listed and posted for trading on The Toronto Stock Exchange (the "TSE"). On August 8, 2001, the closing price of the Shares on the TSE was \$13.30 per Share. Based upon such closing price, the Shares had an aggregate market value of approximately \$256,725,059 on such date.
 5. To the knowledge of management of Dundee, the only person or company that owns, directly or indirectly, or exercises control or direction over, more than 10% of the outstanding Shares is Dundee Bancorp Inc. ("Bancorp"), which owns approximately 6,909,245 Shares, representing approximately 35.8% of the outstanding Shares. Dundee has been advised by Bancorp that Bancorp does not intend to tender any Shares to the Offer.
 6. Pursuant to the Offer, Dundee proposes to acquire approximately 1,600,000 Shares, representing approximately 8.3% of the outstanding Shares.
 7. The Offer will be made pursuant to a modified Dutch auction procedure (the "Procedure") as follows:
 - (a) the Circular will specify that the aggregate number of Shares (the "Specified Number") that Dundee intends to purchase under the Offer will be 1,600,000, excluding any Shares that Dundee intends to purchase in accordance with the procedures described in subparagraph 7(j) below;
 - (b) the Circular also will specify that the range of prices (the "Range") within which Dundee is prepared to purchase Shares under the Offer is from \$13.50 to \$15.00 per Share;
- (c) holders of Shares (collectively, the "Shareholders") wishing to tender to the Offer will have the right to either: (i) specify the lowest price within the Range at which the Shareholder is willing to sell some or all of their Shares (an "Auction Tender"); or (ii) elect to be deemed to have tendered some or all of their Shares at the Clearing Price determined in accordance with subparagraph 7(e) below (a "Purchase Price Tender");
 - (d) all Shares tendered by Shareholders who fail to specify any tender price for such tendered Shares and fail to indicate that they have tendered such Shares pursuant to a Purchase Price Tender will be considered to have been tendered pursuant to a Purchase Price Tender;
 - (e) the purchase price (the "Clearing Price") of the Shares tendered to the Offer will be the lowest price that will enable Dundee to purchase the Specified Number of Shares and will be determined based upon the number of Shares tendered and not withdrawn pursuant to an Auction Tender at each price within the Range and tendered and not withdrawn pursuant to a Purchase Price Tender, with each Purchase Price Tender being considered a tender at the lowest price within the Range for the purpose of calculating the Clearing Price;
 - (f) the aggregate amount that Dundee will expend pursuant to the Offer will not be ascertained until the Clearing Price is determined;
 - (g) all Shares tendered and not withdrawn at or below the Clearing Price pursuant to an Auction Tender and all Shares tendered and not withdrawn pursuant to a Purchase Price Tender will be taken up and paid for at the Clearing Price, subject to pro ration if the aggregate number of Shares tendered and not withdrawn at or below the Clearing Price pursuant to Auction Tenders and the number of Shares tendered and not withdrawn pursuant to Purchase Price Tenders exceeds the Specified Number;
 - (h) all Shares tendered and not withdrawn at prices above the Clearing Price will be returned to the tendering Shareholders;
 - (i) in the event more than the Specified Number of Shares are tendered at or below the Clearing Price (an "Over-Subscription"), the Shares to be purchased by Dundee will be pro rated from the Shares so tendered;
 - (j) in the event of an Over-Subscription, in order to avoid the creation of "odd lots" as a result of proration, the number of Shares to be purchased from each Shareholder who tenders at or below the Clearing Price will be increased as follows: in addition to the Specified Number, Dundee will purchase an additional number of Shares at the Clearing Price from each tendering Shareholder

- equal to the minimum number of Shares necessary such that the number of Shares not purchased from and returned to such Shareholder as a result of prorationing (the "Return Number") will be a whole multiple of 100, except that, if the Return Number for any such Shareholder is less than 100, Dundee will purchase from each such Shareholder that number of Shares equal to the Return Number. Multiple tenders by the same Shareholder will be aggregated for this purpose;
- (k) all shares tendered and not withdrawn by Shareholders who specify a tender price for such tendered Shares that falls outside the Range will be considered to have been improperly tendered, will be excluded from the determination of the Clearing Price, will not be purchased by Dundee and will be returned to the tendering Shareholders;
- (l) tendering Shareholders who make either an Auction Tender or a Purchase Price Tender but fail to specify the number of Shares that they may wish to tender to the Offer will be considered to have tendered all Shares held by such Shareholder; and
- (m) if the aggregate number of Shares validly tendered, or deemed to have been tendered, to the Offer at or below the Clearing Price and not withdrawn is less than or equal to the Specified Number, Dundee will take up and pay for all Shares so deposited.
8. Prior to the expiry of the Offer, all information regarding the number of Shares tendered and the prices at which such Shares are tendered will be kept confidential, and the depository under the Offer will be directed by Dundee to maintain such confidentiality until the Clearing Price is determined.
9. Since the Offer is for less than all the Shares, if the number of Shares tendered to the Offer at or below the Clearing Price and not withdrawn exceeds the Specified Number, the Proportionate Take-up and Payment Requirement would require Dundee to take-up and pay for deposited Shares proportionately, according to the number of Shares deposited by each Shareholder. In addition, the Associated Disclosure Requirement would require disclosure in the Circular that Dundee would, if Shares tendered to the Offer and not withdrawn exceeded the Specified Number, take-up such Shares proportionately according to the number of Shares tendered and not withdrawn by each Shareholder.
10. Dundee cannot comply with the Number of Securities Requirement because it cannot specify the number of Shares it will acquire pursuant to the Procedure.
11. During the period of 12 months before August 9, 2001, the date the Offer was announced:
- (a) the number of outstanding Shares was at all times at least 5,000,000, excluding Share that either were beneficially owned, directly or indirectly, or over which control or direction was exercised, by related parties to Dundee or were not freely tradeable;
- (b) the aggregate trading volume of the Shares on the TSE was at least 1,000,000, Shares;
- (c) there were at least 1,000 trades in Shares on the TSE; and
- (d) the aggregate trading value based on the price of the trades referred to in paragraph (c) above was at least \$15,000,000.
12. The market value of the Shares on the TSE was at least \$75,000,000 for the month of July 2001.
13. As a result of the information contained in paragraphs 11 and 12 above and because it is reasonable to conclude that, following completion of the Offer, there will be a market for the beneficial owners of Shares who do not tender to the Offer that is not materially less liquid than the market that exists at the time the Offer is made, Dundee intends to rely upon the exemptions from the Valuation Requirement contained in Sections 3.4(3) of Ontario Securities Commission Rule 61-501 and Quebec Local Policy Statement Q-27 (such exemptions being, the "Presumption of Liquid Market Exemptions").
14. The Circular will:
- (a) disclose the mechanics for the take-up and payment for, or return of, Shares as described in paragraph 7 above;
- (b) explain that, by tendering Shares at the lowest price in the Range or pursuant to a Purchase Price Tender, a Shareholder can reasonably expect that Shares so tendered will be purchased at the Clearing Price, subject to proration as described in paragraph 7 above;
- (c) describe the effect that the Offer, if successful, will have on the direct or indirect voting interest of Bancorp;
- (d) disclose the facts supporting Dundee's reliance on the Presumption of Liquid Market Exemptions, calculated with reference to the date of the announcement of the Offer; and
- (e) except to the extent exemptive relief is granted by this decision, contain the disclosure prescribed by the Legislation for issuer bids.

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 in the Jurisdictions pursuant to the Legislation is that, in connection with the Offer, Dundee is exempt from the Proportionate Take-up and Payment Requirement, the Associated Disclosure Requirement, the Number of Securities Requirement and the Valuation Requirement, provided that Shares tendered to the Offer and not withdrawn are taken up and paid for, or returned to the Shareholders, in accordance with the Procedure.

August 30, 2001.

"Paul M. Moore"

"R. Stephen Paddon"

2.1.6 Energy Savings Income Fund - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications - Issuer exempted from requirement to file Form 28 for the period ended March 31, 2001.

Applicable Ontario Statutory Provisions

Securities Act, R.S.O. 1990, c.S.5. as am., 80(b)(iii) and 81(2).

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

AND

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

AND

IN THE MATTER OF
ENERGY SAVINGS INCOME FUND

MRRS DECISION DOCUMENT

WHEREAS the Canadian securities regulatory authority or regulator (the "Decision Maker") in each in British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Nova Scotia, Prince Edward Island, Newfoundland, Yukon and Nunavut (collectively, the "Jurisdictions") has received an application from Energy Savings Income Fund (the "Fund") for a decision pursuant to the securities legislation of the Jurisdictions (the "Legislation") that the Fund be exempt from the requirements contained in the Legislation to make an annual filing in the required form, being Form 28 or its equivalent ("Form 28"), in respect of its fiscal year ended March 31, 2001.

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 Fund is an open-ended, limited purpose trust established under the laws of the Province of Ontario on the 14th day of February, 2001 and governed by an Amended and Restated Declaration of Trust (the "Declaration of Trust") dated as of the 18th day of April, 2001. The Fund is a reporting issuer, or equivalent thereof, under the Legislation and is not in default of any requirement of the Legislation.

2. The Fund was created to hold the securities of its subsidiaries.
3. On April 24, 2001, the Fund filed a prospectus (the "Prospectus") dated April 20, 2001 with each of the Decision Makers to qualify an initial public offering (the "Offering") of trust units ("Units") of the Fund to the public. An MRRS Decision Document dated April 24, 2001 was issued by the Ontario Securities Commission evidencing the issuance of a receipt for the Prospectus in each of the Jurisdictions. As a result, the Fund is now a reporting issuer or the equivalent in each of the Jurisdictions. The Units are listed and posted for trading on The Toronto Stock Exchange.
4. The fiscal year end of the Fund has been established as March 31.
5. The only activity of the Fund is the holding of common shares and 13% unsecured notes of Ontario Energy Savings Corp. (prior to the closing of the Offering, OESC Acquisitions Inc.), and common shares and 13% unsecured notes of OESC Exchange Inc.
6. The only operations of the Fund prior to the end of its fiscal year ended March 31, 2001 involved activities related to its establishment and organization and the filing of the preliminary prospectus relating to the Offering and activities incidental thereto. As at the end of its fiscal year ended March 31, 2001, the Fund had only one dollar in assets and no liabilities and there was only one Unit outstanding.
7. Pursuant to the Declaration of Trust, the Fund is not required to hold an annual meeting of holders of its Units until September 30, 2002.
8. The Prospectus contains substantially the information which would be required to be provided in a Form 28 filed by the Fund for its year ended March 31, 2001 pursuant to the Legislation and there have been no material changes in any such information from the date of the Prospectus.

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 Fund be exempt from the requirements contained in the Legislation to file a report on Form 28 in respect of its fiscal year ended March 31, 2001.

August 20, 2001.

"John A. Geller"

"R. Stephen Paddon"

2.1.7 Petromet Resources Limited - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications - issuer deemed to be no longer a reporting issuer under the Act;

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 ALBERTA, SASKATCHEWAN,
ONTARIO AND QUEBEC**

AND

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

AND

**IN THE MATTER OF
PETROMET RESOURCES LIMITED**

MRRS DECISION DOCUMENT

1. **WHEREAS** the local securities regulatory authority or regulator (the "Decision Maker") in each of the provinces of Alberta, Saskatchewan, Ontario and Québec (the "Jurisdictions") has received an application from Petromet Resources Limited ("Petromet") for a decision pursuant to the securities legislation of the Jurisdictions (the "Legislation") that Petromet be deemed to have ceased to be a reporting issuer or equivalent under the Legislation;
2. **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;
3. **AND WHEREAS** Petromet has represented to the Decision Makers that:
 - 3.1 Petromet is a corporation which was incorporated under the Business Corporations Act (Ontario) with its head office located in Calgary, Alberta;
 - 3.2 the authorized share capital of Petromet consists of an unlimited number of common shares (the "Shares") and an unlimited number of preferred shares, issuable in series, of which 62,339,743 Shares and no preferred shares are issued and outstanding;

- 3.3 Petromet is a reporting issuer in Alberta, British Columbia, Saskatchewan, Manitoba, Ontario and Québec;
- 3.4 by virtue of an offer to purchase made by TLM Acquisition Corp. ("TLM"), a wholly-owned subsidiary of Talisman Energy Inc., on April 19, 2001 and the subsequent exercise of rights of compulsory acquisition, TLM is now the sole shareholder of Petromet;
- 3.5 other than the Shares, Petromet has no securities, including debt securities, presently outstanding;
- 3.6 the Shares were delisted from trading on the Toronto Stock Exchange at the close of business on May 29, 2001 and no securities of Petromet are listed or quoted on any exchange or market in Canada or elsewhere;
- 3.7 Petromet does not presently intend to seek public financing by way of an offering of its securities;
- 3.8 as a result of the successful take-over bid, Petromet did not file its Annual Information Form in the Jurisdictions for the year ended December 31, 2000. Petromet is not in default of any other requirement of the Legislation.

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

August 27, 2001.

"Patricia M. Johnston"

2.1.8 Chieftain International Inc. - MRRS Decision

Headnote

Mutual Reliance Review System for Exemptive Relief Applications - corporation deemed to have ceased to be a reporting issuer when all of its issued and outstanding securities were acquired 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 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
CHIEFTAIN INTERNATIONAL INC.**

MRRS DECISION DOCUMENT

1. **WHEREAS** the local securities regulatory authority or regulator (the "Decision Maker") in Alberta, Saskatchewan, Ontario, Québec, Nova Scotia and Newfoundland (the "Jurisdictions") has received an application from Chieftain International Inc. ("Chieftain") for a decision under the securities legislation of the Jurisdictions (the "Legislation") that Chieftain be deemed to have ceased to be a reporting issuer under the Legislation;
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** Chieftain has represented to the Decision Makers that:
 - 3.1 Chieftain was incorporated under the *Business Corporations Act* (Alberta) (the "ABCA") on November 23, 1988;
 - 3.2 Chieftain's head office is located in Edmonton, Alberta;
 - 3.3 Chieftain is a reporting issuer in the Jurisdictions and became a reporting issuer in Alberta on April 20, 1989 by receiving a receipt for a prospectus;

- 3.4 Chieftain is not in default of any of the requirements of the Legislation;
 - 3.5 the authorized capital of Chieftain consists of an unlimited number of common shares, of which, there are currently 16,034,477 common shares (the "Common Shares") outstanding;
 - 3.6 by a take-over bid circular dated June 28, 2001, Hunt Oil Canadian Acquisition III Corporation ("Hunt Oil"), a wholly-owned subsidiary of Hunt Oil Company, made an offer (the "Offer") to acquire the Common Shares;
 - 3.7 following the Offer, Hunt Oil commenced compulsory acquisition proceedings under the provisions of the ABCA and on August 7, 2001, became the sole holder of the Common Shares;
 - 3.8 Hunt Oil currently holds all of the Common Shares;
 - 3.9 the Common Shares were delisted from the American Stock Exchange and The Toronto Stock Exchange on August 7, 2001 and there are no securities of Chieftain listed or quoted on any exchange or market;
 - 3.10 other than the Common Shares, Chieftain has no securities, including debt securities, outstanding; and
 - 3.11 Chieftain does not intend to seek public financing by way of an offering of its 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 under the Legislation is that Chieftain is deemed to have ceased to be a reporting issuer under the Legislation.

August 27, 2001.

"Patricia M. Johnston"

2.1.9 Citibank, N.A. - MRRS Decision

Headnote

Mutual Reliance Review System - underwriter and advisor registration relief for Schedule III Bank - prospectus and registration relief for trades where Schedule III Bank purchasing as principal and first trade relief for Schedule III Bank, subject to certain conditions - prospectus and registration relief for trades of bonds, debentures and other evidences of indebtedness of or guaranteed by Schedule III Bank provided trades with specified purchasers - prospectus and registration relief for evidences of deposits by Schedule III Bank to specified purchasers - registration relief similar to the relief available to financial intermediaries - fee relief for trades made in reliance on Decision.

Applicable Statutory Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., 25(1)(a), 34(a), 35(1)(3), 35(2)(1)(c), 53(1), 72(1)(a)(i), 74, 147.

Applicable Rules

Rule 32-502 - Registration Exemption for Certain Trades by Financial Intermediaries.

Rule 32-503 - Registration and Prospectus Exemptions for Trades by Financial Intermediaries in Mutual Fund Securities to Corporate Sponsored Plans.

Regulations Cited

Regulation made under the Securities Act, R.R.O. 1990, Reg. 1015, as am.

**IN THE MATTER OF
THE SECURITIES LEGISLATION OF
BRITISH COLUMBIA, ALBERTA, MANITOBA,
SASKATCHEWAN, 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
CITIBANK, N.A.**

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, New Brunswick, Nova Scotia, Prince Edward Island,

Newfoundland, and in each of the territories of Nunavut, the Northwest Territories and Yukon Territory (the "Jurisdictions") has received an application (the "Application") from Citibank N.A. ("Citibank"), for a decision (the "Decision") pursuant to the securities legislation of the Jurisdictions (the "Legislation") that Citibank is exempt from various registration, prospectus and filing requirements of the Legislation in connection with the banking activities to be carried on by Citibank in the Jurisdictions;

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

AND WHEREAS Citibank has represented to the Decision Makers that:

1. Citibank is a full-service commercial bank chartered as a National Bank under the laws of the United States with its principal office in New York, New York.
2. Citibank Canada is a foreign bank subsidiary of Citibank and is currently listed on Schedule II to the *Bank Act* (Canada) (the "Bank Act").
3. Citibank is not, and has no current intention of becoming, a reporting issuer in any Province of Canada, nor are any of its securities listed on any stock exchange in Canada.
4. In June of 1999 amendments to the *Bank Act* were proclaimed that permit foreign commercial banks to establish direct branches in Canada. These amendments have created a new Schedule III listing foreign banks permitted to carry on banking through branches in Canada.
5. Citibank has submitted an application (the "Bank Act Application") to the Office of the Superintendent of Financial Institutions Canada ("OSFI") for an order establishing a full service foreign bank branch in Canada and for an order approving the commencement and carrying on of business in Canada pursuant to sections 524 and 534 of the *Bank Act*.
6. Upon approval of the Bank Act Application, Citibank will establish and commence business as a foreign bank branch under the *Bank Act*. The head office of Citibank in Canada will be located in Toronto, Ontario.
7. The operations of Citibank's foreign bank branch will be primarily comprised of wholesale deposit-taking, commercial lending and related treasury functions.
8. Citibank intends to offer its deposit-taking, commercial lending and related treasury services primarily to the following investors:
 - (a) Her Majesty in right of Canada or in right of a province or a territory, an agent of Her Majesty in either of those rights and includes a municipal or public body empowered to perform a function of government in Canada, or an entity controlled by Her Majesty in either of those rights;

- (b) the government of a foreign country or any political subdivision thereof, an agency of the government of a foreign country or any political subdivision thereof, or an entity that is controlled by the government of a foreign country or any political subdivision thereof;
- (c) an international agency of which Canada is a member, including an international agency that is a member of the World Bank Group, the Inter-American Development Bank, the Asian Development Bank, the Caribbean Development Bank and the European Bank for Reconstruction and Development and any other international regional bank;
- (d) a financial institution (i.e.: (a) a bank or an authorized foreign bank under the *Bank Act*; (b) a body corporate to which the *Trust and Loan Companies Act* (Canada) applies; (c) an association to which the *Cooperative Credit Association Act* (Canada) applies; (d) an insurance company or fraternal benefit society to which the *Insurance Companies Act* (Canada) applies; (e) a trust, loan or insurance corporation incorporated by or under an Act of the legislature of a province or territory in Canada; (f) a cooperative credit society incorporated and regulated by or under an Act of the legislature of a province or territory in Canada; (g) an entity that is incorporated or formed by or under an Act of Parliament or of the Legislature of a province or territory in Canada that is primarily engaged in dealing in securities, including portfolio management and investment counselling and is registered to act in such capacity under the Applicable Legislation; and (h) a foreign institution that is (i) engaged in the banking, trust, loan or insurance business, the business of a cooperative credit society or the business of dealing in securities or is otherwise engaged primarily in the business of providing financial services, and (ii) is incorporated or formed otherwise than by or under an Act of Parliament or of the legislature of a province or territory in Canada);
- (e) a pension fund sponsored by an employer for the benefit of its employees or employees of an affiliate that is registered and has total plan assets under administration of greater than \$100 million;
- (f) a mutual fund corporation that is regulated under an Act of the legislature of a province or territory in Canada or under the laws of any other jurisdiction and has total assets under administration of greater than \$10 million;
- (g) an entity (other than an individual) that has gross revenues on its own books and records of greater than \$5 million as of the date of its most recent annual financial statements; or

- (h) any other person if the trade is in a security which has an aggregate acquisition cost to the purchaser of greater than \$150,000,

collectively referred to for purposes of this Decision as "Authorized Purchasers".

- 9. The only advising activities which Citibank intends to undertake will be incidental to its primary business and it will not advertise itself as an adviser or allow itself to be advertised as an adviser in the Jurisdictions;
- 10. Under the current legislation, banks chartered under Schedules I and II to the Bank Act have numerous exemptions from various aspects of the Legislation; however no reference is made in any of the Legislation to entities listed on Schedule III to the Bank Act. Since Citibank's foreign bank branch will not be chartered under Schedule I or II to the Bank Act, the existing exemptions relating to the registration, prospectus and filing requirements will not be available to it;
- 11. In order to ensure that Citibank, as an entity listed on Schedule III to the Bank Act, will be able to provide banking services to businesses in the Jurisdictions, it requires similar exemptions enjoyed by banking institutions incorporated under the Bank Act to the extent that the current exemptions applicable to such banking institutions are relevant to the banking business to be undertaken by Citibank in the Jurisdictions;

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

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 upon the establishment by Citibank of a branch designated on Schedule III to the Bank Act and in connection with the banking activities to be carried on by Citibank in the Jurisdictions by such branch:

- 1. Citibank is exempt from the requirement under the Legislation, where applicable, to be registered as an underwriter with respect to trading in the same types of securities that an entity listed on Schedule I or II to the Bank Act may act as an underwriter in respect of without being required to be registered under the Legislation as an underwriter;
- 2. Citibank is exempt from the requirement under the Legislation to be registered as an adviser where the performance of the services as an adviser is solely incidental to its primary banking business;
- 3. A trade of a security to Citibank where Citibank purchases the security as principal shall be exempt from the registration and prospectus requirements of the Legislation of the Jurisdiction in which the trade takes place (the "Applicable Legislation") provided that:

- (i) the forms that would have been filed and the fees that would have been paid under the Applicable Legislation if the trade had been made, on an exempt basis, by an entity listed on Schedule I or II to the Bank Act (referred to in this Decision as a "Schedule I or II Bank Exempt Trade") are filed and paid in respect of the trade to Citibank;

- (ii) the first trade in a security acquired by Citibank pursuant to this Decision is deemed a distribution (or primary distribution to the public) under the Applicable Legislation unless,

- (a) the issuer of the security is a reporting issuer, or the equivalent, under the Applicable Legislation and, if Citibank is in a special relationship (where such term is defined in the Applicable Legislation) with such issuer, Citibank has reasonable grounds to believe that such issuer is not in default of any requirements of the Applicable Legislation;

- (b) (i) the securities are listed and posted for trading on a stock exchange that is recognized by the Decision Maker of the applicable Jurisdiction for purposes of the resale of a security acquired in a Schedule I or II Bank Exempt Trade and comply with the requirements set out in paragraph (a) or (b) of Appendix A to this Decision and have been held at least six months from the date of the initial exempt trade to Citibank or the date the issuer became a reporting issuer, or the equivalent, under the Applicable Legislation, whichever is the later, or

- (ii) the securities are bonds, debentures or other evidences of indebtedness issued or guaranteed by an issuer or are preferred shares of an issuer and comply with the requirements set out in paragraph (a) or (c) of Appendix A to this Decision and have been held at least six months from the date of the initial exempt trade to Citibank or the date the issuer became a reporting issuer, or the equivalent, under the Applicable Legislation, whichever is the later, or

- (iii) the securities are listed and posted for trading on a stock exchange that is recognized by the Decision Maker of the applicable Jurisdiction for purposes of resale of a security acquired in a Schedule I or II Bank Exempt

Trade or are bonds, debentures or other evidences of indebtedness issued or guaranteed by the reporting issuer, or the equivalent, under the Jurisdiction whose securities are so listed, and have been held at least one year from the date of the initial exempt trade to Citibank or the date the issuer became a reporting issuer, or the equivalent, under the Applicable Legislation, whichever is later, or

(iv) the securities have been held at least eighteen months from the date of the initial exempt trade to Citibank or the date the issuer became a reporting issuer, or the equivalent, under the Applicable Legislation, whichever is later; and

(c) Citibank files a report within 10 days of the trade prepared and executed in accordance with the requirements of the Applicable Legislation that would apply to a Schedule I or II Bank Exempt Trade, and provided that no unusual effort is made to prepare the market or to create a demand for such securities and no extraordinary commission or consideration is paid in respect of such trade and provided Citibank does not hold sufficient number of securities to materially affect the control of the issuer of such securities but any holding by Citibank of more than 20 per cent of the outstanding voting securities of the issuer of such securities shall, in the absence of evidence to the contrary, be deemed to affect materially the control of such issuer;

4. Provided Citibank only trades the types of securities referred to in this paragraph 4 with Authorized Purchasers, trades of bonds, debentures or other evidences of indebtedness of or guaranteed by Citibank shall be exempt from the registration and prospectus requirements of the Legislation; and

5. Evidences of deposit issued by Citibank to Authorized Purchasers shall be exempt from the registration and prospectus requirements of the Legislation.

THE FURTHER DECISION of the Decision Maker in Ontario is that upon the establishment by Citibank of a branch designated on Schedule III to the Bank Act and in connection with the banking activities to be carried on in Ontario by Citibank through such branch:

A. Subsection 25(1)(a) of the *Securities Act* (Ontario) R.S.O. 1990 c. S.5 (as amended) (the "Ontario Act") does not apply to a trade by Citibank:

- (i) of a type described in subsection 35(1) of the Ontario Act or section 151 of the Regulations made under the Ontario Act;
 - (ii) the securities described in subsection 35(2) of the Ontario Act;
 - (iii) in the security of a mutual fund, if the security is sold to a pension plan, deferred profit sharing plan, retirement savings plan or other similar capital accumulation plan maintained by the sponsor of the plan for its employees, and
 - (a) the employees deal only with the sponsor in respect of their participation in the plan and the purchase of the security by the plan, or
 - (b) the decision to purchase the security is not made by or at the direction of the employee; or
 - (iv) in a security of a mutual fund that
 - (a) is administered by a body corporate to which the *Trust and Loan Companies Act* (Canada) applies or a trust, loan or insurance corporation incorporated by or under an Act of the legislature of a province or territory in Canada,
 - (b) consists of a pool of funds that,
 - (A) results from, and is limited to, the combination or commingling of funds of pension or other superannuation plans registered under the *Income Tax Act* (Canada), and
 - (B) is established by or related to persons or companies that are associates or affiliates of or that otherwise do not deal at arm's length with the promoters of the mutual fund, except the trust, loan or insurance corporation that administers the fund, and
 - (c) is managed, in whole or in part, by a person who is registered or who is exempt from registration under the Ontario Act; and
- B. Section 53 of the Ontario Act does not apply to a trade by Citibank in:

APPENDIX A

- (i) a security of a mutual fund, if the security is sold to a pension plan, deferred profit sharing plan, retirement savings plan or other similar capital accumulation plan maintained by the sponsor of the plan for its employees, and
 - (a) the employees deal only with the sponsor in respect of their participation in the plan and the purchase of the security by the plan, or
 - (b) the decision to purchase the security is not made by or at the direction of the employee, or
- (ii) the security of a mutual fund that
 - (a) is administered by a body corporate to which the *Trust and Loan Companies Act* (Canada) applies or a trust, loan or insurance corporation incorporated by or under an Act of the Legislature of a province or territory in Canada,
 - (b) consists of a pool of funds that,
 - (A) results from, and is limited to, the combination or commingling of funds of pension or other superannuation plans registered under the *Income Tax Act* (Canada), and
 - (B) is established by or related to persons or companies that are associates or affiliates of or that otherwise do not deal at arm's length with the promoters of the mutual fund except the trust, loan or insurance corporation that administers the fund, and
 - (c) is managed, in whole or in part, by a person who is registered or who is exempt from registration under the Ontario Act; and

- (a) are preferred shares of a corporation if,
 - (i) the corporation has paid a dividend in each of the five years immediately preceding the date of the initial exempt trade at least equal to the specified annual rate upon all of its preferred shares, or
 - (ii) the common shares of the corporation are, at the date of the initial exempt trade, in compliance with paragraph (b) of this Appendix A;
- (b) are fully paid common shares of a corporation that during a period of five years that ended less than one year before the date of the initial exempt trade has either,
 - (i) paid a dividend in each such year upon its common shares, or
 - (ii) had earnings in each such year available for the payment of a dividend upon its common shares, of at least 4% of the average value at which the shares were carried in the capital stock account of the corporation during the year in which the dividend was paid or in which the corporation had earnings available for the payment of dividends as the case may be;
- (c) are bonds, debentures or other evidences of indebtedness issued or guaranteed by,
 - (i) a corporation if, at the date of the initial exempt trade, the preferred shares or the common shares of the corporation which comply with paragraph (a) or (b) of this Appendix A, or
 - (ii) a corporation if its earnings in a period of five years ended less than one year before the date of the initial exempt trade have been equal in sum total to at least ten times and in each of any four of the five years have been equal to at least 1-1/2 times the annual interest requirements at the date of the initial exempt trade on all indebtedness of or guaranteed by it, other than indebtedness classified as a current liability in its balance sheet, and, if the corporation at the date of the initial exempt trades owns directly or indirectly more than 50% of the common shares of another corporation, the earnings of the corporations during the said period of five years may be consolidated with due allowance for minority interests, if any, and in that event the interest requirements of the corporation shall be consolidated and

C. Except as provided for in paragraph 3 of this Decision, section 28 of Schedule I to the Regulations made under the Ontario Act shall not apply to trades made by Citibank in reliance of this Decision.

August 31, 2001.

"Paul Moore"

"John Geller"

such consolidated earnings and consolidated interest requirements shall be taken as the earnings and interest requirements of the corporation, and, for the purpose of this subclause, "earnings" mean earnings available to meet interest charges on indebtedness other than indebtedness classified as a current liability.

2.1.10 Winnipeg Commodity Exchange - MRRS Decision

Headnote

Application for relief from registration and prospectus requirements in connection with the conversion of the Winnipeg Commodity Exchange from a not-for-profit, membership-based organization to a for-profit, share capital corporation (the demutualization), the issuance of shares to the current members of the Exchange and certain prescribed parties in connection with the demutualization, and the subsequent issuance of shares from time to time to certain prescribed parties. First trade in any share acquired pursuant to this Decision to a purchaser that is not within prescribed class of purchasers is deemed to be a distribution.

Statutes Cited

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

Regulations Cited

Regulation made under the Securities Act, R.R.O. 1990, Reg. 1015, as am.

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

AND

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

AND

**IN THE MATTER OF
WINNIPEG COMMODITY EXCHANGE**

MRRS DECISION DOCUMENT

WHEREAS the local securities regulatory authority or regulator (the "Decision Maker") in each of Manitoba, British Columbia, Alberta, Saskatchewan, Ontario and Québec (the "Jurisdictions") has received an application from Winnipeg Commodity Exchange (the "Exchange") for a decision pursuant to the securities legislation of the Jurisdictions (the "Legislation") that the registration and prospectus requirements contained in the Legislation shall not apply to intended trades in shares of WCE Holdings Inc. ("Holdings");

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

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

- 1.1 The Exchange is a commodities futures exchange established in 1887, and operates a futures and options exchange for contracts traded on canola, flaxseed, feed wheat, feed barley, oats and field peas.
- 1.2 The Exchange has been recognized by The Manitoba Securities Commission as a commodity futures exchange pursuant to section 15 of The Commodity Futures Act (Manitoba) (the "CFA").
- 1.3 The Exchange's membership as of May 31, 2001 was made up of 212 members ("WCE Members"), holding a total of 240 memberships, consisting of country and terminal elevator companies, merchants, exporters, oilseed crushers, feed manufacturers, independent floor traders and Futures Commission Merchants. The last public sale of a membership seat was in November 1999 at a value of \$1,500. As at May 31, 2001, WCE Members were resident as follows:
- | | |
|------------------|--|
| Manitoba | - 157 Members
(holding 173 memberships) |
| British Columbia | - 5 Members
(holding 5 memberships) |
| Alberta | - 7 Members
(holding 10 memberships) |
| Saskatchewan | - 11 Members
(holding 11 memberships) |
| Ontario | - 7 Members
(holding 14 memberships) |
| Quebec | - 6 Members
(holding 7 memberships) |
| United States | - 13 Members
(holding 14 memberships) |
| Hong Kong | - 6 Members
(holding 6 memberships) |
- 1.4 On February 20, 2001, the WCE Members voted 83.5% in favour of undergoing a demutualization process, whereby the Exchange would be transformed from a not-for-profit, membership based organization into a for-profit, share capital corporation (the "Demutualization").
- 1.5 In order to implement the Demutualization, The Winnipeg Commodity Exchange Restructuring Act (Manitoba) (the "Amending Legislation") has been enacted to facilitate the Exchange's charter being continued as a share capital, for profit corporation named WCE Holdings Inc. ("Holdings") under The Corporations Act (Manitoba) (the "MCA") and the current governing statute, The Winnipeg Commodity Exchange Act (Manitoba) has been repealed. The Amending Legislation provides that all existing membership rights and interests in the Exchange will be exchanged/converted into shares of Holdings. All exchange related assets of Holdings would then be transferred by Holdings to a new wholly owned subsidiary named Winnipeg Commodity Exchange Inc. ("WCE Inc.").
- 1.6 Winnipeg Commodity Exchange Clearing Corporation ("WCECC") is the designated clearinghouse for all contracts traded on the Exchange. It is currently a non-share capital corporation incorporated under the MCA. The corporate structure of WCECC will be changed from a non-share capital corporation to a share capital corporation. A minimal number of shares will be issued with ownership and control held by Holdings. Clearing privileges will be contractually based and extended to current WCECC clearing members and any other entities, which apply and meet the eligibility criteria ("Clearing Participants").
- 1.7 The authorized capital of Holdings will consist of two classes of shares: Class A Common Shares ("Shares") and Class B Preferred Shares (issuable in series).
- 1.8 Neither the Shares nor the Class B Preferred Shares are listed or posted for trading on any stock exchange and the Exchange has no present intention to apply for such a listing.
- 1.9 The Board of Governors of the Exchange formed a special committee to review and evaluate the benefits of demutualization (the "Demutualization Committee"). One of the mandates of the Demutualization Committee was to determine an appropriate share allocation methodology relating to the ultimate distribution of Holdings shares to WCE Members as part of the Demutualization. The Demutualization Committee recommended, and the Board of Governors accepted, that a membership-based model whereby all WCE Members receive an equal number of shares regardless of their membership category or any other criteria, was the most appropriate model. As part of the Demutualization, each WCE Member will exchange its membership seat for an equal number (100) of Shares.
- 1.10 The future transfer of the Shares will be subject to the approval of the Board of Directors of Holdings. Additionally, the articles of continuance of Holdings will contain a provision that no entity (including entities acting jointly or in concert) will be permitted to hold more than an aggregate of 15% of the issued and outstanding voting shares of Holdings.
- 1.11 Trading privileges, privileges relating to the listing of futures contracts delivery space and to issue warrants or receive reduced transaction charges will be contractual rights extended to four categories of participants ("Participants") by WCE Inc. and will not be conditional upon the Participant having any equity interest in Holdings. Participant status provides the Participant with the right to conduct the activities permitted by the class and category or registration, within the provisions of WCE Inc.'s rules (the "Rules"). The categories of Participants are as follows:
1. Trading Participants;
 2. Sponsored Participants;
 3. Merchant Participants; and
 4. Ancillary Participant
- All Participants must meet and maintain all applicable educational and qualifying standards on an ongoing basis, as required by the Rules, and self-regulatory organization they are a member of and by all securities

regulatory authorities they are subject to. The Board of Directors of WCE Inc. determines whether or not a potential Participant meets the criteria for status as a Participant.

1.12 Holdings is not and does not intend to become a reporting issuer or the equivalent in any of the jurisdictions in Canada.

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 that:

(a) the issuance of Shares in connection with the Demutualization shall not be subject to the registration and prospectus requirements of the Legislation provided that any subsequent trade in Shares acquired in connection with the Demutualization shall be deemed a distribution or a primary distribution to the public under the Legislation of such Jurisdiction unless such trade is made between:

- i) shareholders of Holdings ("Holdings Shareholders");
- ii) Holdings Shareholders and Participants;
- iii) Holdings Shareholders and Clearing Participants;
- (iv) Holdings Shareholders and entities whose primary business is the trading of derivatives products or the production, trading, sale or processing of any commodity underlying a product traded on the WCE Inc.; or
- (v) Holdings Shareholders and employees of WCE Inc. or WCECC;

and further provided that all such trades in Shares receive prior approval of the Board of Directors of Holdings.

(b) the issuance of Shares subsequent to the Demutualization to Participants or Clearing Participants shall not be subject to the registration and prospectus requirements of the Legislation provided that any subsequent trade of such Shares shall be deemed a distribution or a primary distribution to the public under the Legislation of such Jurisdiction unless such trade is made between:

- i) Holdings Shareholders;
- ii) Holdings Shareholders and Participants;
- iii) Holdings Shareholders and Clearing Participants;
- (iv) Holdings Shareholders and entities whose primary business is the trading of derivatives products or the production, trading, sale or processing of any commodity underlying a product traded on the WCE Inc.; or
- (v) Holdings Shareholders and employees of WCE Inc. or WCECC.

and further provided that all such trades in Shares receive prior approval of the Board of Directors of Holdings.

August 30, 2001.

"Chris P. Besko"

2.2 Orders

2.2.1 Rampart Securities Inc. - ss. 127(1)

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

AND

IN THE MATTER OF
RAMPART SECURITIES INC.

ORDER
(Subsection 127(1))

WHEREAS by temporary Order dated August 14, 2001, the Ontario Securities Commission (the "Commission") suspended Rampart Securities Inc.'s registration under the *Securities Act*, R.S.O. 1990, c. S.5 (the "Act") and ordered that Rampart Securities Inc. ("Rampart") immediately cease trading in any securities (the "Temporary Order");

AND WHEREAS the Temporary Order expires on the fifteenth day after its making unless extended by the Commission;

AND WHEREAS by reason of the allegations set out in the Temporary Order and such other allegations as counsel may advise and the Commission may permit, a Notice of Hearing was issued on August 14, 2001 for a hearing commencing on August 29, 2001 at 10:00 a.m. to consider whether it is in the public interest for the Commission to make an order, *inter alia*, extending the Temporary Order until the hearing is completed, terminating, suspending or restricting Rampart's registration under the Act and requiring Rampart to cease trading in securities permanently or for such time as the Commission may direct;

AND WHEREAS Staff of the Commission and Rampart consent to the making of this Order;

AND WHEREAS the Commission considers it necessary to extend the Temporary Order;

AND WHEREAS the Commission considers it to be in the public interest to make this Order;

AND WHEREAS by Commission Order made March 9, 2001, pursuant to subsection 3.5(3) of the Act, any one of David A. Brown, Howard Wetston or Paul Moore, acting alone, is authorised to make orders under section 127 of the Act;

IT IS THEREFORE ORDERED that the hearing scheduled for August 29, 2001 be adjourned to October 3, 2001;

IT IS FURTHER ORDERED that the Temporary Order be extended to October 3, 2001, unless further extended by the Commission;

IT IS FURTHER ORDERED that the following terms and conditions be imposed on Rampart's registration under the Act:

- (i) Rampart shall keep in place the monitor agreement with PriceWaterhouseCoopers and the Investment Dealers Association of Canada dated August 16, 2001;
- (ii) Rampart and each of its registered partners, officers and directors shall notify the Director of Capital Markets (the "Director") in writing at least 10 business days prior to Rampart or any of its registered partners, officers and directors commencing any proceeding under the *Bankruptcy and Insolvency Act*, the *Companies Creditors Arrangement Act* or the *Winding Up and Restructuring Act*; and
- (iii) Rampart and each of its registered partners, officers and directors shall notify the Director immediately on becoming aware of the commencement of a proceeding against Rampart under the *Bankruptcy and Insolvency Act*, the *Companies Creditors Arrangement Act* or the *Winding Up and Restructuring Act* or any action or proceeding which could result in the appointment of a liquidator, monitor, interim receiver, receiver or receiver manager for the assets or the business of Rampart or any of its registered partners, officers and directors.

August 29, 2001.

"Paul Moore"

2.2.2 Ricardo Molinari et al. - s. 127

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

AND

IN THE MATTER OF
RICARDO MOLINARI, ASHLEY COOPER,
THOMAS STEVENSON, MARSHALL SONE,
FRED ELLIOTT, ELLIOTT MANAGEMENT INC., AND
AMBER COAST RESORT CORPORATION

ORDER
(Section 127)

WHEREAS this proceeding was commenced by a Notice of Hearing and related Statement of Allegations dated June 15, 2001;

AND WHEREAS the respondent, Ashley Cooper, though duly served has not appeared;

AND WHEREAS the remaining respondents were adjourned sine die, returnable upon seven days notice by any party, on July 27, 2001;

AND WHEREAS Staff of the Commission has requested that this matter be adjourned sine die, returnable upon seven days notice by any party;

AND WHEREAS the Commission considers it to be in the public interest to make this order;

IT IS ORDERED THAT pursuant to section 21 of the *Statutory Powers Procedures Act*, R.S.O. 1990, c. S.22, as amended, the hearing is adjourned sine die, returnable upon seven days notice by any party.

August 31, 2001.

"Paul Moore"

2.2.3 Player Petroleum Corporation - s. 83

Headnote

Mutual Reliance Review System for Exemptive Relief Applications - Issuer has only one security holder - issuer deemed to have ceased being a reporting issuer.

Applicable Ontario Statutory Provisions

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

IN THE MATTER OF
THE SECURITIES ACT,
R.S.O. 1990, c. B.16, AS AMENDED (the "Act")

AND

IN THE MATTER OF
PLAYER PETROLEUM CORPORATION

ORDER
(Section 83)

1. WHEREAS Player Petroleum Corporation ("Player") has applied to the Ontario Securities Commission (the "Commission") for an order under section 83 of the Act deeming Player to have ceased to be a reporting issuer under the Act;
2. AND WHEREAS Player represented to the Commission that:
 - 2.1 Player is a corporation organized and subsisting under the *Business Corporations Act* (Alberta) (the "ABCA");
 - 2.2 the head office of Player is in Calgary, Alberta;
 - 2.3 the authorized capital of Player consists of 75,000,000 common shares (the "Common Shares"), of which, as at August 10, 2001, 8,457,603 were issued and outstanding;
 - 2.4 Player is a reporting issuer under the Act;
 - 2.5 Player is not in default of any requirement of the Act or the rules made under the Act;
 - 2.6 pursuant to an offer to purchase dated May 18, 2001 and a subsequent compulsory acquisition under the provisions of the ABCA, NFEX Acquisition Corp. ("NFEX") acquired all of the issued and outstanding Common Shares;
 - 2.7 NFEX is the sole security holder of Player and there are no securities of Player, including debt obligations, currently outstanding other than the Common Shares;
 - 2.8 the Common Shares were delisted from The Toronto Stock Exchange on August 10, 2001 and there are no securities of Player listed on any stock exchange or traded on any market;

2.9 Player does not intend to seek public financing by way of an offering of securities;

3. **AND WHEREAS** the Commission is satisfied that to do so would not be prejudicial to the public interest;

4. **IT IS HEREBY ORDERED** pursuant to section 83 of the Act that Player is deemed to have ceased to be a reporting issuer under the Act.

August 30, 2001.

"John Hughes"

2.2.4 Progress Energy Ltd. - ss. 83.1(1)

Headnote

Subsection 83.1(1) - Issuer deemed to be a reporting issuer in Ontario - Issuer has been a reporting issuer in Alberta since December 16, 1997 and in British Columbia since November 29, 1999 - Issuer listed and posted for trading on the Canadian Venture Exchange - Continuous disclosure requirements of Alberta and British Columbia substantially similar to those of Ontario.

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

AND

**IN THE MATTER OF
PROGRESS ENERGY LTD.**

**ORDER
(Subsection 83.1(1))**

UPON the application of Progress Energy Ltd. ("Progress") for an order pursuant to subsection 83.1(1) of the Act deeming Progress 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 Progress representing to the Commission as follows:

1. Progress was incorporated on September 2, 1997 pursuant to the provisions of the *Business Corporations Act* (Alberta).
2. Progress's head office is located in Calgary, Alberta.
3. Progress has been a reporting issuer under the *Securities Act* (Alberta) (the "Alberta Act") since December 16, 1997 following the receipt from the Alberta Securities Commission of Progress's initial public offering prospectus. Progress's Common Shares and Class B Shares were listed and posted for trading on the Canadian Venture Exchange ("CDNX") on December 30, 1997. Progress became a reporting issuer under the *Securities Act* (British Columbia) (the "BC Act") on or about November 29, 1999 pursuant to the merger of the Alberta and Vancouver stock exchanges. Progress is not in default of any requirements of the Alberta Act or the BC Act.
4. Progress has a number of shareholders who are resident in the Province of Ontario.
5. The continuous disclosure materials filed by Progress under the Alberta Act and the BC Act since December 16, 1997 are available on the System for Electronic Document Analysis and Retrieval.

6. Other than Alberta and British Columbia, Progress is not a reporting issuer or public company under the securities legislation of any other jurisdiction in Canada.
7. Effective July 6, 2001, Progress converted all of its outstanding Class B Shares into Common Shares at the conversion rate of 2.58 Common Shares for each Class B Share. Accordingly, Progress issued a total of 3,018,600 Common Shares on this conversion. The authorized share capital of Progress therefore consists of an unlimited number of Common Shares and an unlimited number of Class B Shares, of which, as of the date hereof 25,577,900 Common Shares are issued and outstanding.
8. The Common Shares are listed and posted for trading on CDNX.
9. Neither Progress nor any of its officers, directors or, to the knowledge of Progress or its officers and directors, any controlling shareholder, has (i) been the subject of any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority, (ii) entered into a settlement agreement with a Canadian securities regulatory authority, or (iii) been subject to any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor making an investment decision.

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

IT IS HEREBY ORDERED pursuant to subsection 83.1(1) of the Act that Progress be deemed a reporting issuer for the purposes of Ontario securities law.

August 31, 2001.

"Paul Moore"

"R. Stephen Paddon"

**2.2.5 3D Visit Inc./Visite 3D Inc.
- ss. 83.1(1)**

Headnote

Reporting issuer in Alberta, British Columbia and Quebec that is listed on CDNX deemed to be a reporting issuer in Ontario.

Statutes Cited

Securities Act, R.S.O. 1990, c.S.5, as am., s. 83.1(1).

Policies Cited

Policy 12-602 Deeming an Issuer from Certain Other Canadian Jurisdictions to be a Reporting Issuer in Ontario (2001) 24 OSCB 1531.

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

AND

**IN THE MATTER OF
3D VISIT INC./VISITE 3D INC.**

**ORDER
(Subsection 83.1(1) of the Act)**

UPON the application of 3D Visit Inc./Visite 3D Inc. ("3D") to the Ontario Securities Commission (the "Commission") for an order pursuant to Subsection 83.1(1) of the Act deeming 3D 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 3D having represented to the Commission as follows:

1. 3D is a corporation governed by the *Canada Business Corporations Act* and was formed by the amalgamation of the 3D Visit Inc. and Signature Resources Ltd. ("Signature") on April 5, 2001 (the "Amalgamation").
2. 3D's head offices are located in Gatineau, Quebec.
3. Signature became a "reporting issuer" under the *Securities Act* (Alberta) on July 9, 1993 after the issuance of a receipt for its initial public offering prospectus, under the *Securities Act* (British Columbia) on November 29, 1999 due to the Alberta Stock Exchange/Vancouver Stock Exchange merger and under the *Securities Act* (Quebec) pursuant to an order of the Quebec Securities Commission dated March 26, 2001.
4. 3D became a "reporting issuer" under the *Securities Act* (Alberta), the *Securities Act* (British Columbia) and the *Securities Act* (Quebec) by virtue of the Amalgamation.

5. 3D is not a reporting issuer or its equivalent under the securities legislation of any other jurisdiction in Canada.
6. Signature's common shares were listed on The Alberta Stock Exchange (the "ASE") on August 25, 1993. 3D's common shares currently trade on the Canadian Venture Exchange ("CDNX"), the successor to the ASE, under the trading symbol "VIS".
7. 3D is not on the list of defaulting reporting issuers maintained pursuant to the *Securities Act* (Alberta), the *Securities Act* (British Columbia) or the *Securities Act* (Quebec). To the best of the knowledge of management of 3D, 3D is not in default of any of the requirements of CDNX.
8. To the knowledge of management of 3D, neither 3D nor Signature have been the subject of any enforcement actions by the Alberta, British Columbia, or Quebec Securities Commissions or by CDNX.
9. The continuous disclosure requirements of the *Securities Act* (Alberta), the *Securities Act* (British Columbia) and the *Securities Act* (Quebec) are substantially the same as the requirements under the Act.
10. The materials filed by 3D or Signature as a reporting issuer in Alberta, British Columbia and Quebec since December 29, 1998 are available on the System for Electronic Document Analysis and Retrieval.
11. The authorized capital of 3D consists of unlimited common shares of which 20,232,123 common shares are currently outstanding. An aggregate of 2,550,000 common shares of 3D are also reserved for issuance on the exercise of stock options granted by 3D to its directors, officers and employees. A further aggregate of 5,502,090 common shares of 3D are also reserved for issuance pursuant to the exercise of the special shares issued upon the Amalgamation.
12. Neither 3D nor any of its officers, directors or controlling shareholders has (i) been the subject of any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority, (ii) entered into a settlement agreement with a Canadian securities regulatory authority or (iii) been subject to any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor making an investment decision.

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

IT IS HEREBY ORDERED pursuant to Section 83.1(1) of the Act that 3D be deemed to be a reporting issuer for the purposes of Ontario securities law.

August 31, 2001.

"Paul M. Moore"

" R. Stephen Paddon"

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Chapter 3

Reasons: Decisions, Orders and Rulings

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IN THIS ISSUE

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Chapter 4

Cease Trading Orders

4.1.1 Temporary, Extending & Rescinding Cease Trading Orders

Company Name	Date of Order or Temporary Order	Date of Hearing	Date of Extending Order	Date of Rescinding Order
Walters Consulting Corporation	25 May 01	06 Jun 01	08 Jun 01	05 Sep 01
Aimglobal Technologies Company Inc.	22 Aug 01	31 Aug 01	05 Sep 01	-
Zconnexx Corporation	30 Aug 01	11 Sep 01	-	-
Chase Resource Corporation David S. Reid Limited	31 Aug 01	12 Sep 01	-	-
National Health Stores Inc.	05 Sep 01	17 Sep 01	-	-

4.2.1 Management & Insider Cease Trading Orders

Company Name	Date of Order or Temporary Order	Date of Hearing	Date of Extending Order	Date of Lapse/ Expire	Date of Issuer Temporary Order
Dotcom 2000 Inc.	29 May 01	11 Jun 01	11 Jun 01	-	23 Jul 01
St. Anthony Resources Inc.	29 May 01	11 Jun 01	11 Jun 01	23 Jun 01	-
Galaxy OnLine Inc. Melanesian Minerals Corporation	29 May 01	11 Jun 01	11 Jun 01	24 Jul 01	-
Brazilian Resources, Inc. Link Mineral Ventures Ltd. Nord Pacific Limited	30 May 01	12 Jun 01	12 Jun 01	-	23 Jul 01
Landmark Global Financial Corp.	30 May 01	12 Jun 01	12 Jun 01	28 Jun 01	-
Dominion International Investments Inc.	12 Jun 01	25 Jun 01	25 Jun 01	-	23 Jul 01
Zamora Gold Corp.	13 Jun 01	26 Jun 01	26 Jun 01	18 Jul 01	-
Consumers Packaging Inc.	20 Jun 01	03 Jul 01	-	05 Jul 01	-
Systech Retail Systems Inc.	27 Jun 01	10 Jul 01	10 Jul 01	23 Aug 01	-
United Trans-Western, Inc.	05 Jul 01	18 Jul 01	19 Jul 01	-	23 Jun 01
Digital Duplication Inc.	10 Jul 01	23 Jul 01	23 Jul 01	24 Aug 01	-

Cease Trading Orders

Company Name	Date of Order or Temporary Order	Date of Hearing	Date of Extending Order	Date of Lapse/ Expire	Date of Issuer Temporary Order
Online Direct Inc.	22 Aug 01	04 Sep 01	04 Sep 01	-	-
Aquarius Coatings Inc.	23 Aug 01	05 Sep 01	-	-	-
Primenet Communications Inc.	29 Aug 01	11 Sep 01	-	-	-
Unirom Technologies Inc. Zaurak Capital Corporation	30 Aug 01	12 Sep 01	-	-	-

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 SecuritiesSource (see www.carswell.com).

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

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

Chapter 8

Notice of Exempt Financings

Exempt Financings

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

Reports of Trades Submitted on Form 45-501f1

<u>Trans. Date</u>	<u>Security</u>	<u>Price (\$)</u>	<u>Amount</u>
01Aug01	Bank of Ireland Asset Management Limited - Units	720,000	62,235
03Aug01	BPI American Opportunities Fund - Units	20,000	166
01Dec01	Brandes Canada International Equity Unit Trust - Shares - Amended	232,447,199	11,295,309
17Aug01	CC&L Private Client Canadian Equity Fund - Units	52,140	5,230
15Jan01	CC&L Private Client Canadian Equity Fund - Units	150,000	13,947
17Aug01	Computer Motion, Inc. - Shares of Common Stock	US\$1,000,001	290,192
22Aug01	Diagem International Resource Corp. - Units	150,000	750,000
14Aug01	Encap Corporation - Common Shares	317,500	1,270,000
15Aug01	Equity International Investment Trust - Units In a Unit Trust	1,435	452
18Aug01	First Horizon Holdings Ltd. - Subscription Certificate	161,600	1
18Aug01	First Horizon Holdings Ltd. - Class I Redeemable Convertible Non-Voting Shares	1,570,380	144,709
20Aug01	Hi-Alta Capital Inc. - Special Warrants	1,785,000	850,000
15Aug01	Kingwest Avenue Portfolio - Units	1,128,448	56,689
15Aug01	Kingwest U.S. Equity Portfolio - Units	149,784	9,207
02Mar01	Lifepoints Achievement Fund, Lifepoints Progress Fund, Lifepoints Opportunity Fund, Russell Canadian Equity Fund, Russell Canadian Fixed Income Fund, Russell Global Equity Fund - Units	289,464	2,613
26Mar01	Lifepoints Achievement Fund, Lifepoints Progress Fund, Lifepoints Opportunity Fund, Russell Canadian Equity Fund, Russell Canadian Fixed Income Fund, Russell Global Equity Fund - Units	30,175	281
03Apr01	Lifepoints Achievement Fund, Lifepoints Progress Fund, Lifepoints Opportunity Fund, Russell Canadian Equity Fund, Russell Canadian Fixed Income Fund, Russell Global Equity Fund - Units	2,567,102	25,136
11Apr01	Lifepoints Achievement Fund, Lifepoints Progress Fund, Lifepoints Opportunity Fund, Russell Canadian Equity Fund, Russell Canadian Fixed Income Fund, Russell Global Equity Fund - Units	2,243	20
14Mar01	Lifepoints Achievement Fund, Lifepoints Progress Fund, Lifepoints Opportunity Fund, Russell Canadian Equity Fund, Russell Canadian Fixed Income Fund, Russell Global Equity Fund - Units	2,243	21
25Apr01	Lifepoints Achievement Fund, Lifepoints Progress Fund, Lifepoints Opportunity Fund, Russell Canadian Equity Fund, Russell Canadian Fixed Income Fund, Russell Global Equity Fund - Unit	107	1
06Mar01	Lifepoints Achievement Fund, Lifepoints Progress Fund, Lifepoints Opportunity Fund, Russell Canadian Equity Fund, Russell Canadian Fixed Income Fund, Russell Global Equity Fund - Units	16,098	151

Notice of Exempt Financings

<u>Trans. Date</u>	<u>Security</u>	<u>Price (\$)</u>	<u>Amount</u>
10Apr01	Lifepoints Achievement Fund, Lifepoints Progress Fund, Lifepoints Opportunity Fund, Russell Canadian Equity Fund, Russell Canadian Fixed Income Fund, Russell Global Equity Fund - Units	50,581	443
12Mar01	Lifepoints Achievement Fund, Lifepoints Progress Fund, Lifepoints Opportunity Fund, Russell Canadian Equity Fund, Russell Canadian Fixed Income Fund, Russell Global Equity Fund - Units	14,871	135
17Apr01	Lifepoints Achievement Fund, Lifepoint Progress Fund, Lifepoints Opportunity Fund - Units	170,658	1,607
20Mar01	Lifepoints Achievement Fund, Lifepoints Progress Fund, Lifepoints Opportunity Fund, Russell Canadian Equity Fund, Russell Global Equity Fund - Units	272	2
06Apr01	Lifepoints Achievement Fund, Lifepoint Progress Fund, Lifepoints Opportunity Fund, Russell Canadian Fixed Income Fund, Russell Canadian Equity Fund - Units	55,455	522
09Mar01	Lifepoints Achievement Fund, Lifepoint Progress Fund, Lifepoints Opportunity Fund, Russell Canadian Fixed Income Fund, Russell Global Equity Fund - Units	26,607	256
23Mar01	Lifepoints Achievement Fund - Units	3,051	30
16Mar01	Lifepoints Achievement Fund, Lifepoint Progress Fund, Lifepoints Opportunity Fund - Units	209,280	2,020
28Feb01	Lifepoints Achievement Fund, Lifepoint Progress Fund, Lifepoints Opportunity Fund - Units	49,378	460
03Apr01	Lifepoints Achievement Fund, Lifepoint Progress Fund, Lifepoints Opportunity Fund - Units	48,732	474
02Apr01	Lifepoints Achievement Fund, Lifepoints Progress Fund, Lifepoints Opportunity Fund, Russell Canadian Equity Fund, Russell Canadian Fixed Income Fund, Russell Global Equity Fund - Units	24,473	221
30Mar01	Lifepoints Achievement Fund, Lifepoints Progress Fund, Lifepoints Opportunity Fund, Russell Canadian Equity Fund, Russell Canadian Fixed Income Fund, Russell Global Equity Fund - Units	254,306	2,347
23Mar01	Lifepoints Achievement Fund - Units	3,051	30
19Mar01	Lifepoints Achievement Fund, Lifepoints Progress Fund, Lifepoints Opportunity Fund, Russell Canadian Equity Fund, Russell Canadian Fixed Income Fund, Russell Global Equity Fund - Units	30,447	270
08Mar01	Lifepoints Achievement Fund, Lifepoint Progress Fund, Lifepoints Opportunity Fund, Russell Canadian Equity Fund, Russell Canadian Fixed Income Fund - Units	21,005	170
16Mar01	Lifepoints Achievement Fund, Lifepoint Progress Fund, Lifepoints Opportunity Fund - Units	168,622	1,608
16Apr01	Lifepoints Achievement Fund, Lifepoints Progress Fund, Lifepoints Opportunity Fund, Russell Canadian Equity Fund, Russell Canadian Fixed Income Fund, Russell Global Equity Fund - Units	50,340	445
18Apr01	Lifepoints Achievement Fund, Lifepoints Progress Fund, Lifepoints Opportunity Fund, Russell Canadian Equity Fund, Russell Canadian Fixed Income Fund - Units	44,186	418
26Apr01	Lifepoints Achievement Fund, Lifepoints Progress Fund, Lifepoints Opportunity Fund, Russell Canadian Equity Fund, Russell Canadian Fixed Income Fund, Russell Global Equity Fund - Units	248,943	2,195
05Mar01	Lifepoints Balanced Long Term Growth Fund, Lifepoints Balanced Growth Fund, Lifepoints Balanced Income Fund, Russell Canadian Fixed Income Fund, Russell Global Equity Fund, Russell U.S. Equity Fund, Russell Overseas Equity Fund - Units	61,732	535
05Apr01	Lifepoints Balanced Long Term Growth Fund, Lifepoints Balanced Growth Fund, Lifepoints Balanced Income Fund, Russell Canadian Equity Fund, Russell Global Equity Fund, Russell U.S. Equity Fund - Units	7,471,804	72,517
06Apr01	Lifepoints Balanced Long Term Growth Fund, Russell Canadian Equity Fund, Russell Canadian Fixed Income Fund, Russell Global Equity Fund, Russell Overseas Equity Fund - Units	41,278	381

Notice of Exempt Financings

<u>Trans. Date</u>	<u>Security</u>	<u>Price (\$)</u>	<u>Amount</u>
28Mar01	Lifepoints Balanced Long Term Growth Fund, Lifepoints Balanced Growth Fund, Lifepoints Balanced Income Fund, Russell Canadian Fixed Income Fund, Russell Global Equity Fund, Russell U.S. Equity Fund, Russell Overseas Equity Fund - Units	53,118	520
05Apr01	Lifepoints Balanced Long Term Growth Fund, Lifepoints Balanced Growth Fund, Lifepoints Balanced Income Fund, Russell Canadian Fixed Income Fund, Russell Global Equity Fund, Russell U.S. Equity Fund, Russell Overseas Equity Fund - Units	327,897	3,240
27Mar01	Lifepoints Balanced Long Term Growth Fund, Lifepoints Balanced Growth Fund, Lifepoints Balanced Income Fund - Units	55,511	529
20Apr01	Lifepoints Opportunity Fund, Russell Canadian Equity Fund - Units	35,262	282
15Mar01	Lifepoints Opportunity Fund - Units	21,233	198
26Apr01	Lifepoints Opportunity Fund - Units	9,495	86
25Apr01	Lifepoints Opportunity Fund, Russell Canadian Fixed Income Fund, Russell Canadian Equity Fund, Russell Global Equity Fund - Units	18,283	158
17Apr01	Lifepoints Opportunity Fund, Russell Canadian Equity Fund, Russell Global Equity Fund - Units	7,415	69
22Mar01	Lifepoints Progress Fund, Lifepoints Opportunity Fund, Russell Canadian Fixed Income Fund - Units	36,898	358
22Mar01	Lifepoints Progress Fund, Lifepoints Opportunity Fund, Russell Canadian Fixed Income Fund - Units	36,898	358
11Apr01	Lifepoints Progress Fund - Units	983	9
12Mar01	Lifepoints Progress Fund, Russell Canadian Fixed Income Fund, Russell Global Equity Fund - Units	24,896	215
05Mar01	Lifepoints Progress Fund, Lifepoints Opportunity Fund, Russell Canadian Fixed Income Fund, Russell Canadian Equity Fund - Units	25,059	212
19Apr01	Lifepoints Progress Fund, Lifepoints Opportunity Fund, Russell Canadian Fixed Income Fund - Units	40,523	376
29Mar01	Lifepoints Progress Fund, Lifepoints Opportunity Fund, Russell Canadian Fixed Income Fund, Russell Canadian Equity Fund - Units	21,065	185
03Aug01	Master Credit Card Trust - 6.15% Credit Card Receivables-Backed Notes	\$814,720	8,000
14Aug01	Maxxum Financial Services - Class A Units	150,000	1,400
16Aug01 to 19Aug01	Negociar Investments Limited Partnership - Limited Partnership Units	2,500,000	2,500,000
15Aug01	Nextgen Broadband Systems Inc. - Class A Non-Voting Shares, Series I	305,800	200,000
15Aug01	Nortel Networks Corporation - 4.25% Convertible Senior Notes due 2008	US\$35,000,000	US\$35,000,000
15Aug01	Nortel Networks Corporation - 4.25% Convertible Senior Notes due 2008	US\$50,000,000	US\$50,000,000
14Aug01	PGM Ventures Corporation - Flow-Through Special Warrants	443,450	806,268
20Aug01	Richelieu Hardware Ltd. - Common Shares	3,999,996	410,256
30Apr01	Russell Canadian Fixed Income Fund - units	23,918	206
26Mar01	Russell Canadian Fixed Income Fund - Units	11,298	95
02Mar01	Russell Canadian Equity Fund - Units	27,612	155
03Apr01	Russell Canadian Fixed Income Fund - Units	2,817	24
29Mar01	Russell Canadian Equity Fund, Russell U.S. Equity Fund, Russell Overseas Equity Fund - Units	26,731	186
12Mar01	Russell Canadian Equity Fund, Russell U.S. Equity Fund - Units	16,727	105
02Mar01	Russell Canadian Equity Fund - Units	27,612	155
30Mar01	Russell Canadian Equity Fund, Russell U.S. Equity Fund - Units	48,904	293
07Mar01	Russell Canadian Fixed Income Fund - Units	11,646	99
05Apr01	Russell Canadian Equity Fund, Russell US Equity Fund - Units	152,660	1,107
08Mar01	Russell Canadian Equity Fund, Russell US Equity Fund, Russell Overseas Equity Fund - Units	315,671	2,170
19Mar01	Russell Canadian Fixed Income Fund - Unit	101	.85
22Mar01	Russell Canadian Equity Fund, Russell Canadian Fixed Income Fund, Russell US Equity Fund, Russell Overseas Equity Fund - Units	125,000	950
06Apr01	Russell Canadian Fixed Income Fund, Russell US Equity Fund - Units	26,128	221

Notice of Exempt Financings

<u>Trans. Date</u>	<u>Security</u>	<u>Price (\$)</u>	<u>Amount</u>
30Apr01	Russell Canadian Fixed Income Fund, Russell Overseas Equity Fund - Units	30,891	266
26Mar01	Russell Canadian Equity Fund, Russell US Equity Fund, Russell Overseas Equity Fund - Units	25,830	173
06Mar01	Russell Canadian Fixed Income Fund - Units	457	3
29Mar01	Russell Canadian Equity Fund, Russell U.S. Equity Fund, Russell Overseas Equity Fund - Units	83,781	556
20Mar01	Russell Canadian Fixed Income Fund - Units	13,016	110
10Apr01	Russell Canadian Equity Fund, Russell U.S. Equity Fund - Units	17,077	110
29Mar01	Russell Canadian Equity Fund, Russell U.S. Equity Fund - Units	53,375	336
27Apr01	Russell Canadian Fixed Income Fund, Lifepoints Achievement Fund, Lifepoints Progress Fund, Lifepoints Opportunity Fund, Russell Canadian Equity Fund, Russell Global Equity Fund - Units	2,243	20
12Mar01	Russell Canadian Equity Fund, Russell U.S. Equity Fund - Units	16,727	105
28Feb01	Russell U.S. Equity Fund - Units	57,809	444
28Feb01	Russell U.S. Equity Fund - Units	27,053	208
29Mar01	Russell U.S. Equity Fund - Units	58,726	473
27Mar01	Russell US Equity Fund - Units	25,028	197
27Mar01	Russell US Equity Fund - Units	25,028	197
01Aug01	SAM Private Equity Energy Fund LP - Unit of Beneficial Interests	6,752,000	1
17Aug01	SHAEE (2001) Master Limited Partnership - Limited Partnership Units	9,967,400	579
30Jul01	SHAEE (2001) Master Limited Partnership - Units	3,969,000	245
17Aug01	TD Capital Canadian Private Equity Partners (ACS) L.P. - Limited Partnership Interests	70,000,000	70,000,000
10Aug01	Trident Global Opportunities Fund - Units	508,475	4,778
03Aug01	Trident Global Opportunities Fund - Units	376,871	3,551
24Aug01	Viventia Biotech Inc. - Units	6,000,000	17,910,447
15Dec00	VR Interactive International Inc. - Common Shares	275,000	1,100,000
16Aug01	Woodbine Entertainment Group - 8.58% Senior Secured Revenue Bonds, due September 1, 2011	118,000,000	118,000,000
20Aug01	Workbrain Corporation - Class B Convertible Series II Preferred Shares	784,381	310,559
27Aug01	Workbrain Corporation - Class B Convertible Series II Preferred Shares	78,436	31,055

Resale of Securities - (Form 45-501f2)

<u>Date of Resale</u>	<u>Date of Orig. Purchase</u>	<u>Seller</u>	<u>Security</u>	<u>Price (\$)</u>	<u>Amount</u>
08Aug01 to 14Aug01	06Mar00	Canadian National Railway Company	360Networks Inc. - Shares	775,874	5,846,821
01Aug01 to 08Aug01	20Jan00	Investors Group Trust Co. Ltd. as Trustee for Investors Canadian Small Cap II	Aastra Technologies Limited - Common Shares	335,466	29,800
02Aug01	07Jan00	Investors Group Trust Co. Ltd. as Trustee for Investors Global Science & Technology Fund	Electrofuel Inc. - Common Shares	545,178	144,000

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

<u>Seller</u>	<u>Security</u>	<u>Amount</u>
Catherine and Maxwell Meighen Foundation, The	Canadian General Investments, Limited - Common Shares	1,198,900
Mullan, Glenn J.	Canadian Royalties Inc. - Common Shares	400,000
Gestion Drab Inc.	Cossette Communication Group Inc. - Subordinate Voting Shares	25,828
Gestion Drab Inc.	Cossette Communication Group Inc. - Subordinate Voting Shares	25,828
Loudtrum Communications Ltd.	Cossette Communications Group Inc. - Subordinate Voting Shares	4,404
Les investissements Maba Inc.	Cossette Communication Group Inc. - Subordinate Voting Shares	13,123
Comunication Mens Sana Incorporee	Cossette Communication Group Inc. - Subordinate Voting Shares	5,177
Estill, James A.	EMJ Data Systems Ltd. - Common Shares	21,800
Estill, Glen R.	EMJ Data Systems Ltd. - Common Shares	39,000
Estill, James A.	EMJ Data Systems Ltd. - Common Shares	21,900
Estill Holdings Limited	EMJ Data Systems Ltd. - Common Shares	1,244,700
Estill Holdings Limited	EMJ Data Systems Ltd. - Common Shares	1,244,700
Taronga Holdings Limited	Extendicare Inc. - Multiple Voting Shares	40,000
Kingfield Investments Limited	Extendicare Inc. - Multiple Voting Shares	50,000
Timis, Frank	Gabriel Resources Ltd. - Common Shares	392,400
Bronsko Fund Limited / Daniel F. Cohen	Gendis Inc. - Common Shares	240,457
Magrill, Gordon	Library Information Software Corp. - Common Shares	2,500,000
Malion, Andrew J.	Spectra Inc. - Common Shares	250,000
Faye, Michael R.	Spectra Inc. - Common Shares	250,000
Catherine and Maxwell Meighen Foundation, The	Third Canadian General Investment Trust Limited - Common Shares	203,800

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Chapter 9
Legislation

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IN THIS ISSUE

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Chapter 11

IPOs, New Issues and Secondary Financings

Issuer Name:

Advantage Energy Income Fund
Principal Regulator - Alberta

Type and Date:

Preliminary Short Form Prospectus dated August 30th, 2001
Mutual Reliance Review System Receipt dated August 31st, 2001

Offering Price and Description:

\$ * - * Trust Units @ \$ * per Trust Unit

Underwriter(s) or Distributor(s):

Scotia Capital Inc.
National Bank Financial Inc.
CIBC World Markets Inc.
Merrill Lynch Canada Inc.

Promoter(s):

Advantage Investment Management Ltd.

Project #386274

Issuer Name:

National Bank/Fidelity True North Fund
Principal Regulator - Quebec

Type and Date:

Preliminary Simplified Prospectus dated August 27th, 2001
Mutual Reliance Review System Receipt dated August 30th, 2001

Offering Price and Description:

Mutual Fund Securities Net Asset Value

Underwriter(s) or Distributor(s):

National Bank Securities Inc.

Promoter(s):

-

Project #383586

Issuer Name:

NCE Flow-Through (2001-2) Limited Partnership
Principal Regulator - Ontario

Type and Date:

Preliminary Prospectus dated August 30th, 2001
Mutual Reliance Review System Receipt dated August 31st, 2001

Offering Price and Description:

\$5,000,000 to \$30,000,000 - 200,000 to 1,200,000 Limited Partnership Units @ \$25.00 per Unit

Underwriter(s) or Distributor(s):

National Bank Financial Inc.
CIBC World Markets Inc.
TD Securities Inc.
Canaccord Capital Corporation
Dundee Securities Corporation
Raymond James Ltd.
Yorkton Securities Inc.
Jory Capital Inc.

Promoter(s):

Petro Assets Inc.

Project #386462

Issuer Name:

NIF-T

Principal Regulator - Ontario

Type and Date:

Preliminary Short Form Prospectus dated August 31st, 2001
Mutual Reliance Review System Receipt dated August 31st, 2001

Offering Price and Description:

\$ * , * % Class A-1 Senior Medium Term Notes, Series 2001-1
\$ * , * % Class A-2 Senior Medium Term Notes, Series 2001-1
(to be offered at prices to be negotiated)

Underwriter(s) or Distributor(s):

CIBC World Markets Inc.
RBC Dominion Securities Inc.
Scotia Capital Inc.
TD Securities Inc.

Promoter(s):

Nissan Canada Finance Inc.

Project #386299

Issuer Name:

PanCanadian Petroleum Limited
Principal Regulator - Alberta

Type and Date:

Preliminary Short Form Shelf Prospectus dated August 30th, 2001
Mutual Reliance Review System Receipt dated August 31st, 2001

Offering Price and Description:

\$1,000,000,000 Medium Term Notes (unsecured)

Underwriter(s) or Distributor(s):

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

Promoter(s):

-

Project #386266

Issuer Name:

Sentry Select Global Energy Fund
Sentry Select Global Utilities Fund
Sentry Select Income Trust Fund
Sentry Select International Growth Fund
Sentry Select International Value Fund
Sentry Select Money Market Fund
Principal Regulator - Ontario

Type and Date:

Preliminary Simplified Prospectus dated August 31st, 2001
Mutual Reliance Review System Receipt dated August 31st, 2001

Offering Price and Description:

Mutual Fund Securities Net Asset Value

Underwriter(s) or Distributor(s):

Sentry Select Capital Corp.

Promoter(s):

-

Project #386316

Issuer Name:

Summit Real Estate Investment Trust
Principal Regulator - Ontario

Type and Date:

Preliminary Short Form Prospectus dated August 31st, 2001
Mutual Reliance Review System Receipt dated September 4th, 2001

Offering Price and Description:

\$60,300,000 - 4,500,000 Units

Underwriter(s) or Distributor(s):

BMO Nesbitt Burns Inc.
CIBC World Markets Inc.
RBC Dominion Securities Inc.
Scotia Capital Inc.
TD Securities Inc.
HSBC Securities (Canada) Inc.
National Bank Financial Inc.
Trilon Securities Corporation

Promoter(s):

-

Project #386484

Issuer Name:

Sun Life Capital Trust
Principal Regulator - Ontario

Type and Date:

Preliminary Prospectus dated August 29th, 2001
Mutual Reliance Review System Receipt dated August 31st, 2001

Offering Price and Description:

\$ * - * Sun Life Exchangeable Capital Securities - Series A (SLEECs)

Underwriter(s) or Distributor(s):

Scotia Capital Inc.
Merrill Lynch Canada Inc.

Promoter(s):

Sun Life Assurance Company of Canada

Project #386120

Issuer Name:

Sun Life Financial Services of Canada Inc.
Principal Regulator - Ontario

Type and Date:

Preliminary Short Form PREP Prospectus dated August 30th, 2001
Mutual Reliance Review System Receipt dated August 31st, 2001

Offering Price and Description:

\$ * - 13,200,000 Common Shares

Underwriter(s) or Distributor(s):

RBC Dominion Securities Inc.
Morgan Stanley Canada Limited
Merrill Lynch Canada Inc.
Salomon Smith Barney Canada Inc.
Scotia Capital Inc.
Banc of America Securities Canada Co.
BMO Nesbitt Burns Inc.
CIBC World Markets Inc.
HSBC Securities (Canada) Inc.
TD Securities Inc.
National Bank Financial Inc.
Griffiths McBurney & Partners

Promoter(s):

-

Project #386150

Issuer Name:

GDF Global Diversified Fund Inc.

Type and Date:

Preliminary Simplified Prospectus dated October 16th, 2000
Closed July 7th, 2001

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

Promoter(s):

Project #304543

Issuer Name:

BioMS Medical Corp.
Principal Regulator - Alberta

Type and Date:

Final Prospectus dated August 29th, 2001
Mutual Reliance Review System Receipt dated 30th day of August, 2001

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

Promoter(s):

Project #371826

Issuer Name:

Hillsborough Resources Limited
Principal Regulator - Ontario

Type and Date:

Final Prospectus dated August 30th, 2001
Mutual Reliance Review System Receipt dated 31st day of August, 2001

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

Salman Partners Inc.

Promoter(s):

Belkan Enterprises Ltd. c/o Belkorp Industries Inc.
Project #378962

Issuer Name:

Horizons Mondiale Hedge Fund
Principal Regulator - British Columbia

Type and Date:

Final Prospectus dated August 24th, 2001
Mutual Reliance Review System Receipt dated 29th day of August, 2001

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

Promoter(s):

Project #371462

Issuer Name:

iUnits MSCI International Equity Index RSP Fund
Principal Regulator - Ontario

Type and Date:

Final Prospectus dated August 31st, 2001
Mutual Reliance Review System Receipt dated 4th day of September, 2001

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

Barclays Global Investors Canada Limited

Promoter(s):

-

Project #369123

Issuer Name:

Protégé Individual Education Savings Plan
Protégé Group Education Savings Plan
Principal Regulator - Ontario

Type and Date:

Final Prospectus dated August 31st, 2001
Mutual Reliance Review System Receipt dated 4th day of September, 2001

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

-

Promoter(s):

The International Scholarship Foundation
Project #372788 & 372792

Issuer Name:

USC Family Single Student Education Savings Plan
USC Family Multiple Student Education Savings Plan
USC Family Group Education Savings Plan
Principal Regulator - Ontario

Type and Date:

Final Prospectus dated August 31st, 2001
Mutual Reliance Review System Receipt dated 4th day of September, 2001

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

-

Promoter(s):

The International Scholarship Foundation
Project #372802, 372805 & 372806

Issuer Name:

USC Horizon Education Savings Plan
Principal Regulator - Ontario

Type and Date:

Final Prospectus dated August 31st, 2001
Mutual Reliance Review System Receipt dated 4th day of September, 2001

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

-

Promoter(s):

The International Scholarship Foundation
Project #372799

Issuer Name:

Vaaldiam Resources Ltd. (formerly Noble Peak Resources Ltd.)
Principal Regulator - Ontario

Type and Date:

Final Prospectus dated August 29th, 2001
Mutual Reliance Review System Receipt dated 30th day of August, 2001

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

Northern Securities Inc.

Promoter(s):

-

Project #374121

Issuer Name:

Canadian National Railway Co.
Principal Regulator - Quebec

Type and Date:

Final Short Form Shelf Prospectus dated August 30th, 2001
Mutual Reliance Review System Receipt dated 30th day of August, 2001

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #380331

Issuer Name:

LionOre Mining International Ltd.
Principal Regulator - Ontario

Type and Date:

Final Short Form Prospectus dated August 30th, 2001
Mutual Reliance Review System Receipt dated 31st day of August, 2001

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

Haywood Securities Inc.

Promoter(s):

-

Project #382125

Issuer Name:

NCE Energy Trust
Principal Regulator - Alberta

Type and Date:

Final Short Form Prospectus dated September 4th, 2001
Mutual Reliance Review System Receipt dated 4th day of September, 2001

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

National Bank Financial Inc.
CIBC World Markets Inc.
Canaccord Capital Corporation
Raymond James Ltd.
Yorkton Securities Inc.

Promoter(s):

-

Project #383156

Issuer Name:

Altamira RSP Health Sciences Fund
Altamira RSP Global Diversified Fund
Altamira RSP Global Telecommunications Fund
Altamira RSP Biotechnology Fund
Altamira Global Telecommunications Fund
Altamira Global 20 Fund
Altamira RSP Global 20 Fund
Altamira Biotechnology Fund
Altamira Global Value Fund
Altamira RSP Japanese Opportunity Fund
Altamira Precision U.S. Midcap Index Fund
Altamira RSP Science and Technology Fund
Altamira RSP e-business Fund
Altamira Precision European RSP Index Fund
Altamira Precision Dow 30 Index Fund
Altamira Leisure and Recreation Fund
Altamira Precision Pacific Index Fund
Altamira Precision European Index Fund
Altamira Health Sciences Fund
Altamira Global Financial Services Fund
Altamira e-business Fund
Altamira Precision International RSP Index Fund
Altamira Short Term Canadian Income Fund
Altamira Precision U.S. RSP Index Fund
Altamira Precision Canadian Index Fund
Altamira US Larger Company Fund
Altamira Science and Technology Fund
Altamira T-Bill Fund
Altamira Select American Fund
Altamira Japanese Opportunity Fund
Altamira Global Small Company Fund
Altamira Global Discovery Fund
Altamira Asia Pacific Fund
Altamira Global Diversified Fund
Altamira European Equity Fund
Altamira Canadian Value Fund
Altamira Resource Fund
Altamira Precious and Strategic Metal Fund
Altamira High Yield Bond Fund
Altamira Special Growth Fund
Altamira Short Term Government Bond Fund
Altamira Income Fund
Altamira Growth & Income Fund
Altamira Short Term Global Income Fund
Altamira Global Bond Fund
Altamira Dividend Fund Inc.
Altamira Capital Growth Fund Limited
Altamira Equity Fund
Altamira Bond Fund
Altamira Balanced Fund
AltaFund Investment Corp.
Principal Regulator - Ontario

Type and Date:

Final Simplified Prospectus and Annual Information Form
dated August 28th, 2001
Mutual Reliance Review System Receipt dated 4th of September, 2001

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

Mutual Fund Securities - Net Asset Value

Promoter(s):

-

Project #376588

Issuer Name:

Core Canadian Equity Fund
Active Fixed Income Fund

Type and Date:

Final Simplified Prospectus and Annual Information Form
dated August 29th, 2001

Receipt dated 31st day of August, 2001

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

NT Global Advisors, Inc.

Promoter(s):

-

Project #376752

Issuer Name:

Fidelity Canadian Balanced Class
Fidelity Canadian Short Term Income Class
Fidelity Focus Telecommunications Class
Fidelity Focus Technology Class
Fidelity Focus Natural Resources Class
Fidelity Focus Health Care Class
Fidelity Focus Financial Services Class
Fidelity Focus Consumer Industries Class
Fidelity Japanese Growth Class
Fidelity International Portfolio Class
Fidelity Far East Class
Fidelity European Growth Class
Fidelity Small Cap America Class
Fidelity Growth America Class
Fidelity American Opportunities Class
Fidelity True North Class
Fidelity Disciplined Equity Class
Fidelity Canadian Growth Company Class
(Series A and F shares)
Principal Regulator - Ontario

Type and Date:

Final Simplified Prospectus and Annual Information Form
dated August 30th, 2001

Mutual Reliance Review System Receipt dated 6th day of
September, 2001

Offering Price and Description:

Underwriter(s) or Distributor(s):

Promoter(s):

Project #379545 & 373485

Issuer Name:

GWLIM Corporate Bond Fund
GWLIM Equity/Bond Fund
GWLIM Canadian Growth Fund
GWLIM Canadian Mid Cap Fund
GWLIM US Mid Cap Fund
GWLIM Emerging Industries Fund
GWLIM Ethics Fund
Janus American Equity Fund
Janus Global Equity Fund
LLIM Canadian Bond Fund
LLIM Income Plus Fund
LLIM Balanced Strategic Growth Fund
LLIM Canadian Diversified Equity Fund
LLIM Canadian Growth Sectors Fund
LLIM US Equity Fund
LLIM US Growth Sectors Fund
MAXXUM Money Market Fund
MAXXUM Income Fund
MAXXUM Canadian Balanced Fund
MAXXUM Dividend Fund
MAXXUM Canadian Equity Growth Fund
MAXXUM Natural Resource Fund
MAXXUM Precious Metals Fund
Scudder US Growth and Income Fund
Scudder Canadian Equity Fund
Scudder Greater Europe Fund
Scudder Pacific Fund
Scudder Emerging Markets Fund
Templeton Canadian Equity Fund
Templeton International Equity Fund
Conservative Folio Fund
Moderate Folio Fund
Balanced Folio Fund
Advanced Folio Fund
Aggressive Folio Fund
Fixed Income Folio Fund
Canadian Equity Folio Fund
Global Equity Folio Fund
(Quadrus Class Units and H Class Units)
Janus RSP American Equity Fund
Janus RSP Global Equity Fund
Principal Regulator - Ontario

Type and Date:

Final Simplified Prospectus and Annual Information Form
dated August 28th, 2001

Mutual Reliance Review System Receipt dated 30th day of
August, 2001

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

Promoter(s):

-

Project #376600

Issuer Name:

Spectrum World Growth Managers Fund
Spectrum RRSP Global Telecommunications Fund
Spectrum RRSP American Growth Fund
Spectrum Canadian Maximum Growth Portfolio
Spectrum RRSP World Growth Managers Fund
Spectrum RRSP Global Health Sciences Fund
Spectrum Canadian Small-Mid Cap Fund
Spectrum Canadian Income Portfolio
Spectrum RRSP Global Financial Services Fund
Spectrum RRSP European Growth Fund
Spectrum U.S. Dollar Money Market Fund
Spectrum Short-Term Bond Fund
Spectrum Global Health Sciences Fund
Spectrum Global Financial Services Fund
Spectrum RRSP Global Growth Fund
Spectrum RRSP International Bond Fund
Spectrum Optimax USA Fund
Spectrum Mid-Term Bond Fund
Spectrum RRSP World Equity Fund
Spectrum Canadian Conservative Portfolio
Spectrum Long-Term Bond Fund
Spectrum Global Telecommunications Fund
Spectrum Global Growth Portfolio
Spectrum Canadian Growth Portfolio
Spectrum Global Growth Fund
Spectrum Global Equity Fund
Spectrum Global Diversified Fund
Spectrum Global Bond Fund
Spectrum European Growth Fund
Spectrum Emerging Markets Fund
Spectrum Dividend Fund
Spectrum Diversified Fund
Spectrum Canadian Money Market Fund
Spectrum Canadian Stock Fund
Spectrum Canadian Resource Fund
Spectrum Canadian Balanced Portfolio
Spectrum Canadian Investment Fund
Spectrum Canadian Growth Fund
Spectrum Canadian Equity Fund
Spectrum Asset Allocation Fund
Spectrum Asian Dynasty Fund
Spectrum American Growth Fund
Spectrum American Equity Fund
(Retail Class, Class F and Institutional Class Units)
Principal Regulator - Ontario

Type and Date:

Final Simplified Prospectus and Annual Information Form
dated August 24th, 2001
Mutual Reliance Review System Receipt dated 30th day of
August, 2001

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #374213

Issuer Name:

Synergy Canadian Growth Class
Synergy Canadian Momentum Class
Synergy Canadian Small Cap Class
Synergy Canadian Value Class
Synergy Canadian Style Management Class
Synergy Canadian Short-Term Income Class
Synergy Global Growth Class
Synergy Global Momentum Class
Synergy Global Value Class
Synergy Global Style Management Class
Synergy American Growth Class
Synergy European Momentum Class
Synergy Global Short Term Income Class
Synergy Extreme Canadian Equity Fund
Synergy Extreme Global Equity Fund
Synergy Tactical Asset Allocation Fund
Synergy Canadian Income Fund
Synergy Global Growth RSP Fund
Synergy Global Momentum RSP Fund
Synergy Global Value RSP Fund
Synergy Global Style Management RSP Fund
Synergy American Growth RSP Fund
Synergy European Momentum RSP Fund
Synergy Extreme Global Equity RSP Fund
(Series A and Series F Securities)
Principal Regulator - Ontario

Type and Date:

Final Simplified Prospectus and Annual Information Form
dated August 24th, 2001
Mutual Reliance Review System Receipt dated 30th day of
August, 2001

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

Synergy Asset Management Inc.

Promoter(s):

-

Project #375279

Chapter 12

Registrations

12.1.1 Securities

Type	Company	Category of Registration	Effective Date
New Registration	McKinnon & Company Wealth Management Inc. Attention: Ravi Suryanarayan Ramaswamy Suite 100 934 The East Mall Toronto ON M9B 6J9	Mutual Fund Dealer Limited Market Dealer (Conditional)	Aug 30/01
New Registration	Sun Life Financial Quantitative Management Inc. Attention: Ronald Bruce Kusano 225 King Street West 11 th Floor Toronto ON M5V 3C5	Limited Market Dealer (Conditional) Investment Counsel & Portfolio Manager	Aug 31/01
New Registration	Global Capital Partners Inc. Attention: Jonathan Francis Edgett 155 University Avenue Suite 1220 Toronto ON M5H 3B7	Limited Market Dealer (Conditional)	Aug 31/01

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Chapter 13

SRO Notices and Disciplinary Proceedings

13.1.1 TSE Amendment to Rule 1-101

THE TORONTO STOCK EXCHANGE – AMENDMENT TO RULE NO. 1-101

BACKGROUND

Relief from Suitability—Order-Execution Only Service

On April 10, 2000 the CSA announced that relief from suitability obligations could be granted to dealers that provide trade execution only services.

To accommodate this relief, on April 25, 2000 the Board of Directors of the Exchange approved amendments to Policy 2-501 (formerly Policy XXX) to permit Participating Organizations (“PO”) that have obtained the necessary relief from the the appropriate securities regulatory authority to transmit orders from clients to the trading system of the Exchange without review or handling by a person employed by the PO. These changes to the access requirements were approved by the OSC on December 8, 2000.

Expanded Suitability Relief

In April 2001, the IDA made application to the CSA to expand the relief from suitability to include those broker/dealers offering both an advisory and an order-execution only service.

The IDA proposed amendments to their By-Laws, Regulations, Forms and Policies which specified that, where a member had applied for and received approval from the IDA for relief from suitability, the member would not have to comply with general suitability requirements, to make a determination that an order is suitable for a customer, when accepting orders from a customer where no recommendation is provided. The proposed amendments have not as yet been finalized, the comment period elapsed on June 4, 2001.

Exchange Amendments

In order to allow POs offering both an advisory and order-execution only service to send such client orders to the Exchange without review, Regulation Services Management recommends an amendment to the definition of “Order-Execution Account” in its Rules.

TEXT OF THE AMENDMENT TO THE RULE

Appendix “A” is the text of the amendment to Rule 1.101 as passed by the Board of Directors of the Exchange on May 29, 2001.

APPENDIX “A”

THE RULES OF THE TORONTO STOCK EXCHANGE

The Rules of The Toronto Stock Exchange are hereby amended as follows:

1. Rule 1-101 is amended by adding the following definition of “Order-Execution Account”:

“Order-Execution Account” means the account of a client of a Participating Organization in respect of which the Participating Organization is exempted, in whole or in part, from making a determination on the suitability of a particular trade for the client in accordance with the requirements of the appropriate securities regulatory authority or recognized self-regulatory organization.

13.1.2 IDA Discipline - Jeffrey MacDonald

September 10, 2001

**INVESTMENT DEALERS ASSOCIATION OF CANADA
ASSOCIATION CANADIENNE DES COURTIERS EN
VALEURS MOBILIÈRES**

NOTICE TO PUBLIC RE: DISCIPLINARY HEARING

RE: JEFFREY MACDONALD

Toronto, Ontario – The Investment Dealers Association of Canada has scheduled a hearing before the Ontario District Council of the Association concerning Jeffrey MacDonald.

The hearing is scheduled to begin Monday, September 24, 2001, at 9:30am, at the offices of the Association, located at 121 King Street West, Suite 1600, in Toronto, Ontario.

The hearing will be open to the public except as may be required for the protection of confidential matters.

The hearing is in regards to allegations made by Staff of the Enforcement Division of the Association that, while a Registered Representative at ScotiaMcLeod Inc. (now Scotia Capital Inc.), Mr. MacDonald made several recommendations to his clients that were not appropriate and were not in keeping with their investment objectives, and accepting trading instructions from a third party on the accounts of several clients without proper authorizing documentation.

Contact:

Alice Abbott
Enforcement Counsel
Tel. (416) 943-5877

Chapter 25
Other Information

THERE IS NO MATERIAL FOR THIS CHAPTER
IN THIS ISSUE

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