

# DIALOGUE WITH THE OSC 2007

ONTARIO SECURITIES COMMISSION

**Tuesday, November 27, 2007**

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OSC



The Ontario Securities Commission

# OSC Bulletin

August 10, 2007

Volume 30, Issue 32

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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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## Chapter 1

# Notices / News Releases

**1.1 Notices**

**1.1.1 Current Proceedings Before The Ontario Securities Commission**

**AUGUST 10, 2007**

**CURRENT PROCEEDINGS**

**BEFORE**

**ONTARIO SECURITIES COMMISSION**

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

The Harry S. Bray Hearing Room  
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Suresh Thakrar, FIBC	—	ST
Wendell S. Wigle, Q.C.	—	WSW

**SCHEDULED OSC HEARINGS**

August 28, 2007		<b>Shane Suman and Monie Rahman</b>
10:00 a.m.		s. 127 & 127(1)
		K. Daniels in attendance for Staff
		Panel: JEAT
September 4, 2007		<b>Juniper Fund Management Corporation, Juniper Income Fund, Juniper Equity Growth Fund and Roy Brown (a.k.a. Roy Brown-Rodrigues)</b>
2:30 p.m.		s.127 and 127.1
		D. Ferris in attendance for Staff
		Panel: ST/RLS
September 5, 2007		<b>*AiT Advanced Information Technologies Corporation, *Bernard Jude Ashe and Deborah Weinstein</b>
10:00 a.m.		s. 127
		K. Manarin in attendance for Staff
		Panel: WSW/HPH/CSP
		* Settlement Agreements approved February 26, 2007
September 6, 2007		<b>Roger D. Rowan, Watt Carmichael Inc., Harry J. Carmichael and G. Michael McKenney</b>
10:00 a.m.		s. 127 and 127.1
		J. Superina in attendance for Staff
		Panel: RLS/DLK/ST
September 6, 2007		<b>Jose Castaneda</b>
10:00 a.m.		s. 127 and 127.1
		H. Craig in attendance for Staff
		Panel: WSW/DLK

September 7, 2007 11:00 a.m.	<b>Sulja Bros. Building Supplies, Ltd. (Nevada), Sulja Bros. Building Supplies Ltd., Kore International Management Inc., Petar Vucicevich and Andrew DeVries</b>  s. 127 & 127.1  J. S. Angus in attendance for Staff  Panel: TBA	September 28, 2007 10:00 a.m.	<b>Jason Wong, David Watson, Nathan Rogers, Amy Giles, John Sparrow, Kervin Findlay, Leasesmart, Inc., Advanced Growing Systems, Inc., Pharm Control Ltd., The Bighub.com, Inc., Universal Seismic Associates Inc., Pocketop Corporation, Asia Telecom Ltd., International Energy Ltd., Cambridge Resources Corporation, Nutrione Corporation and Select American Transfer Co.</b>  s. 127 and 127.1  P. Foy in attendance for Staff  Panel: JEAT/ST
September 11, 2007 10:00 a.m.	<b>Al-Tar Energy Corp., Alberta Energy Corp., Eric O'Brien, Bill Daniels, Bill Jakes, John Andrews, Julian Sylvester, Michael N. Whale, James S. Lushington, Ian W. Small, Tim Burton and Jim Hennesy</b>  s. 127(1) & (5)  Sean Horgan in attendance for Staff  Panel: RLS/ST	September 28, 2007 10:00 a.m.	<b>Stanton De Freitas</b>  s. 127 and 127.1  P. Foy in attendance for Staff  Panel: JEAT/ST
September 17, 2007 10:00 a.m.	<b>Norshield Asset Management (Canada) Ltd., Olympus United Group Inc., John Xanthoudakis, Dale Smith and Peter Kefalas</b>  s.127  P. Foy in attendance for Staff  Panel: WSW/DLK	October 9, 2007 10:00 a.m.	<b>John Daubney and Cheryl Littler</b>  s. 127 and 127.1  A.Clark in attendance for Staff  Panel: RLS/CSP/MCH
September 19, 2007 10:00 a.m.	<b>Land Banc of Canada Inc., LBC Midland I Corporation, Fresno Securities Inc., Richard Jason Dolan, Marco Lorenti and Stephen Zeff Freedman</b>  s. 127  H. Craig in attendance for Staff  Panel: PJL/ST	October 12, 2007 10:00 a.m.	<b>Firestar Capital Management Corp., Kamposse Financial Corp., Firestar Investment Management Group, Michael Ciavarella and Michael Mitton</b>  s. 127  H. Craig in attendance for Staff  Panel: TBA
		October 22, 2007 10:00 a.m.	<b>Merax Resource Management Ltd. carrying on business as Crown Capital Partners, Richard Mellon and Alex Elin</b>  s. 127  H. Craig in attendance for Staff  Panel: WSW/KJK





TBA **FactorCorp Inc., FactorCorp  
Financial Inc. and Mark Twerdun**

s. 127

K. Daniels in attendance for Staff

Panel: RLS/ST

TBA **Limelight Entertainment Inc., Carlos  
A. Da Silva, David C. Campbell,  
Jacob Moore and Joseph Daniels**

s. 127 and 127.1

D. Ferris in attendance for Staff

Panel: TBA

TBA **Saxon Financial Services, Saxon  
Consultants, Ltd., International  
Monetary Services, FXBridge  
Technology, Meisner Corporation,  
Merchant Capital Markets, S.A.,  
Merchant Capital Markets,  
MerchantMarx et al**

s. 127(1) & (5)

S. Horgan in attendance for Staff

Panel: JEAT

**1.4 Notices from the Office of the Secretary**

**1.4.1 Land Banc of Canada Inc. et al.**

**FOR IMMEDIATE RELEASE  
August 7, 2007**

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

**AND**

**IN THE MATTER OF  
LAND BANC OF CANADA INC.,  
LBC MIDLAND I CORPORATION,  
FRESNO SECURITIES INC.,  
RICHARD JASON DOLAN,  
MARCO LORENTI AND  
STEPHEN ZEFF FREEDMAN**

**TORONTO** – The Commission issued an Order today continuing the Temporary Order of May 17, 2007, until September 19, 2007 against LBC, Midland, Dolan and Lorenti with certain amendments with respect to Dolan and Lorenti.

A copy of the Order is available at [www.osc.gov.on.ca](http://www.osc.gov.on.ca).

OFFICE OF THE SECRETARY  
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SECRETARY

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**ADJOURNED SINE DIE**

**Global Privacy Management Trust and Robert  
Cranston**

**Andrew Keith Lech**

**S. B. McLaughlin**

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

**Andrew Stuart Netherwood Rankin**

**Portus Alternative Asset Management Inc., Portus  
Asset Management Inc., Boaz Manor, Michael  
Mendelson, Michael Labanowich and John Ogg**

**Maitland Capital Ltd., Allen Grossman, Hanouch  
Ulfan, Leonard Waddingham, Ron Garner, Gord  
Valde, Marianne Hyacinthe, Diana Cassidy, Ron  
Catone, Steven Lanys, Roger McKenzie, Tom  
Mezinski, William Rouse and Jason Snow**

**Euston Capital Corporation and George Schwartz**

## Chapter 2

# Decisions, Orders and Rulings

### 2.1 Decisions

#### 2.1.1 3530639 Canada Inc. (formerly The Spectra Group of Great Restaurants Inc.) - MRRS Decision

##### Headnote

Mutual Reliance Review System for Exemptive Relief Applications – application for an order that the issuer is not a reporting issuer.

##### Ontario Statutes

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

July 27, 2007

IN THE MATTER OF  
THE SECURITIES LEGISLATION OF  
BRITISH COLUMBIA, ALBERTA, SASKATCHEWAN,  
MANITOBA, AND ONTARIO  
(the Jurisdictions)

AND

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

AND

IN THE MATTER OF  
3530639 CANADA INC. (formerly THE SPECTRA  
GROUP OF GREAT RESTAURANTS INC.)  
(the Filer)

#### MRRS DECISION DOCUMENT

##### Background

1 The local securities regulatory authority or regulator (the Decision Maker) in each of the Jurisdictions has received an application from the Filer for a decision under the securities legislation of the Jurisdictions (the Legislation) that the Filer is deemed to have ceased to be a reporting issuer (the Requested Relief).

Under the Mutual Reliance Review System for Exemptive Relief Applications:

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

(b) this MRRS decision document evidences the decision of each Decision Maker.

##### Interpretation

2 Defined terms contained in the National Instrument 14-101 *Definitions* have the same meaning in this decision unless they are defined in this decision.

##### Representations

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

1. the Filer was incorporated on August 28, 1968 pursuant to the federal laws of Canada; the Filer has its principal place of business, head office and registered office located at 2nd Floor – 1880 West 1st Avenue, Vancouver, British Columbia V6J 1G5;

2. the Filer is a reporting issuer (or equivalent) in the Jurisdictions; prior to the Arrangement (defined below), the Class A common shares (the Voting Shares) and Class A non-voting shares (the Non-Voting Shares) of the Filer traded on the Toronto Stock Exchange (TSX) under the symbols “SPA” and “SPA.A” respectively;

3. the Filer and Madison Pacific Properties Inc. (MadPac) entered into an arrangement agreement dated for reference May 17, 2007, as amended June 15, 2007, (the Arrangement Agreement) to effect an arrangement (the Arrangement) under section 192 of the *Canada Business Corporations Act*;

4. on June 21, 2007, the Arrangement was approved by over 99% of the votes cast by holders of the Voting Shares and 100% of the votes cast by the holders of the Non-Voting Shares at a special meeting of the shareholders of the Filer;

5. on June 22, 2007, the Supreme Court of British Columbia approved the Arrangement;

6. the Arrangement became effective on June 25, 2007, when Industry Canada

- issued the Filer a certificate of arrangement;
7. prior to the Arrangement, the authorized capital of the Filer consisted of an unlimited number of the Voting Shares and an unlimited number of the Non-Voting Shares and immediately prior to the Arrangement; 2,407,933 Voting Shares and 5,449,009 Non-Voting Shares were issued and outstanding;
    - (i) each of the New Common Shares were exchanged for one MadPac Common Share; and
    - (ii) all of the Class B Non-Voting Shares were each purchased for \$2.60 by the Filer for cancellation;
  8. pursuant to the Arrangement Agreement, the articles of the Filer were amended to create an unlimited number of Class B non-voting shares (the Class B Non-Voting Shares) and an unlimited number of Class C non-voting shares (the Class C Non-Voting Shares);
    - (d) to have all of the Voting Shares purchased by the Filer and to use all or part of the proceeds to purchase at an elected amount of MadPac Common Shares;
  9. under the Arrangement, the shareholders of the Voting Shares of the Filer were entitled or deemed to elect one of the following options:
    - (a) to receive one Class B common share of MadPac (the MadPac Common Shares) for each of the Voting Shares held by the shareholders in the capital of the Filer;
    - (b) to receive 0.25 of a new common share of the Filer (the New Common Shares) and 0.75 of a Class B Non-Voting Share for each of the Voting Shares held by the shareholders in the capital of the Filer, and following that exchange:
      - (i) each of the New Common Shares were exchanged for one MadPac Common Share; and
      - (ii) all of the Class B Non-Voting Shares were each purchased for \$2.60 by the Filer for cancellation;
    - (c) to choose an elected amount for each of the New Common Shares, greater than 0.25 and equal to less than 1.00, for some of the Voting Shares and to receive one Class B Non-Voting Share for each of the remaining Voting Shares held by the shareholders in the capital of the Filer, and following that exchange:
      - (i) each of the New Common Shares were exchanged for one MadPac Common Share; and
      - (ii) all of the Class B Non-Voting Shares were each purchased for \$2.60 by the Filer for cancellation;
  10. under the Arrangement, the shareholders of the Non-Voting Shares of the Filer were entitled or deemed to elect one of the following options:
    - (a) to receive one Class C common share of MadPac (the MadPac Non-Voting Shares) for each of the Non-Voting Shares held by the shareholder in the capital of the Filer;
    - (b) to receive 0.25 of a new non-voting share of the Filer (the New Non-Voting Shares) and 0.75 of a Class B Non-Voting Share for each of the Non-Voting Shares held by the shareholders in the capital of

- the Filer, and following that exchange:
- (i) each of the New Non-Voting Shares were exchanged for one MadPac Non-Voting Share; and
  - (ii) all of the Class B Non-Voting Shares were each purchased for \$2.60 by the Filer for cancellation;
- (c) to choose an elected amount for each of the New Non-Voting Shares, greater than 0.25 and equal to less than 1.00, for some of the Non-Voting Shares and to receive one Class B Non-Voting Share for each of the remaining Non-Voting Shares held by the shareholders in the capital of the Filer, and following that exchange:
- (i) each of the New Non-Voting Shares were exchanged for one MadPac Non-Voting Share; and
  - (ii) all of the Class B Non-Voting Shares were each purchased for \$2.60 by the Filer for cancellation;
- (d) to have all of the Non-Voting Shares purchased by the Filer and to use all of part of the proceeds to purchase an elected amount of MadPac Non-Voting Shares;
- (e) to receive one Class C Non-Voting Share for each of the Non-Voting Shares held by the shareholders in the capital of the Filer, and following that exchange:
- (i) each of the shareholders of the Class C Non-Voting Shares were paid an eligible dividend of \$1.95 for each Class C Non-Voting Shares held; and
  - (ii) each of the Class C Non-Voting Shares, after the dividend, were exchanged for 0.25 of a MadPac Non-Voting Shares;
- 11. as a result of the Arrangement, MadPac beneficially owns, directly or indirectly, all of the outstanding securities of the Filer;
  - 12. the Filer has no debt securities outstanding;
  - 13. no securities of the Filer are traded on a marketplace as defined in National Instrument 21-101 *Marketplace Operation*;
  - 14. as of the date of this application, the Filer is not in default of any of its obligations as a reporting issuer under the securities legislation of the Jurisdictions, other than its obligation to file annual financial statements, related management's discussion and analysis, an annual information form and related officer certificates on or before June 30, 2007 (being the 90th day after the end of its financial year); as MadPac became the sole beneficial holder of all of the issued and outstanding shares in the Filer five days prior to the date upon which the Filer was required to file its annual financial statements, related management's discussion and analysis, annual information form and related officer certificates in respect of its financial year ended April 1, 2007, the Filer has not prepared or filed its annual financial statements, related management's discussion and analysis, annual information form and related officer certificates;
  - 15. the TSX delisted the Voting Shares and Non-Voting Shares of the Filer at the close of business on June 28, 2007;
  - 16. the Filer does not intend to seek public financing by way of an offering of its securities; and
  - 17. upon the grant of the Requested Relief, the Filer will not be a reporting issuer or the equivalent in any jurisdiction of Canada.
- Decision**
- 4 Each of the Decision Makers is satisfied that the test contained in the Legislation that provides the Decision Maker with the jurisdiction to make the decision has been met.

The decision of the Decision Makers under the Legislation is that the Requested Relief is granted.

"Martin Eady, CA"  
Director, Corporate Finance  
British Columbia Securities Commission

**2.1.2 Canadian Institute for Financial Planners and Franklin Templeton Investments Corp. - MRRS Decision**

**Headnote**

Exemption granted to mutual fund management companies from prohibition contained in subsection 5.4(1) of National Instrument 81-105 Mutual Fund Sales Practices to permit the managers to pay a portion of the costs incurred by a financial planners industry association in organizing educational conferences, provided certain conditions are met.

**Rules Cited**

National Instrument 81-105 Mutual Fund Sales Practices.

**August 1, 2007**

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

**AND**

**IN THE MATTER OF  
THE MUTUAL RELIANCE REVIEW SYSTEM  
FOR EXEMPTIVE RELIEF APPLICATIONS  
(the System)**

**AND**

**IN THE MATTER OF  
THE CANADIAN INSTITUTE FOR  
FINANCIAL PLANNERS (CIFPs)**

**AND**

**IN THE MATTER OF  
FRANKLIN TEMPLETON INVESTMENTS CORP.  
(FTIC)**

**MRRS DECISION DOCUMENT**

**Background**

The local securities regulatory authority or regulator (the Decision Maker) in each of the Jurisdictions has received an application from CIFPs on behalf of FTIC and on behalf of each member of the organization, as defined in National Instrument 81-105 Mutual Fund Sales Practices (NI 81-105), of any other mutual fund (collectively with FTIC, the Mutual Fund Organizations) for a decision under the securities legislation of the Jurisdictions (the Legislation) to grant an exemption from subsection 5.4(1) of NI 81-105 (the Requested Relief) to permit the Mutual Fund

Organizations to pay or reimburse a portion of the direct costs and expenses incurred by CIFPs in organizing and presenting its annual national conference held in June 2007 (the Annual National Conference) and other conferences and seminars organized and presented by CIFPs or its affiliates or its chapters in the future (the Institute's Future Educational Events).

Under the System:

- (a) the Ontario Securities Commission is the principal regulator for this application; and
- (b) this MRRS decision document evidences the decision of each Decision Maker.

**Interpretation**

Defined terms contained in National Instrument 14-101 Definitions have the same meaning in this decision unless they are defined in this decision.

**Representations**

This decision is based on the following facts represented by CIFPs on its behalf and on behalf of the Mutual Fund Organizations:

1. CIFPs is a not-for-profit corporation incorporated by letters patent under the laws of Canada on February 24, 2003. The Investment Funds Institute of Canada (IFIC) sponsored the creation of CIFPs to provide an organization that would promote financial planning and provide educational services to the broader financial services industry. IFIC became a sponsoring member of CIFPs but ownership of CIFPs resided with its individual members. CIFPs is a national association for Canadian individuals who have obtained certification as a Certified Financial Planner (CFP™). Membership of CIFPs is open to all Canadian CFP licensees, associates who completed their pre-license educational requirements and students who are currently enrolled in a qualified CFP educational program. CIFPs currently has approximately 2,600 members some of whom are licensed to sell either or both financial products and life insurance products.
2. CIFPs serves its members and their individual, family and business clients primarily by providing specialized and comprehensive programs of professional development in financial services and also by advocating policy and legislation before government, legislators and regulators at all levels and by collaborating with trade and industry associations in Canada and abroad. CIFPs also supports the Financial Planners Standards Council, which is responsible for awarding the CFP designation to suitably qualified individuals, in achieving its mission and vision.
3. The Canadian Institute of Financial Planning (CIFP) is a not-for-profit corporation primarily engaged in providing education programs for financial planning and continuing education. CIFP is a registered provider of courses leading to the CFP designation.
4. Both CIFPs and CIFP were, until June 5, 2007, affiliates of IFIC. Effective June 6, 2007, CIFPs acquired controlling ownership of CIFP and, from such date, CIFPs and CIFP were no longer affiliated or associated with IFIC. This change was a result of IFIC re-organizing its educational operations to focus on licensing education and not financial planning. Further, IFIC determined its financial planning should be run by CIFPs, an organization dedicated exclusively to financial planning. In addition, CIFPs was now a viable organization that could run independent of IFIC and work directly with the industry and IFIC members to meet its mandate. Finally, the new CIFP/CIFPs entity retains its existing objects, mandate, management, membership, programs and sponsorship from mutual fund organizations. The only change is that CIFPs is now totally owned by its members and IFIC is no longer a sponsoring member on the CIFPs Board.
5. As part of the services that it provides, CIFPs arranges conferences and seminars for its members. CIFPs Annual National Conference took place in Calgary, Alberta and approximately 450 of its members were in attendance. Attendees were able to earn 20 credit hours towards their annual continuing education credits. The primary purpose of the Annual National Conference included the provision of educational information about financial planning, investing in securities, mutual fund industry matters, mutual fund issues generally, and other related topics.
6. FTIC is a corporation existing under the laws of Ontario. FTIC is the manager and principal distributor of a number of mutual funds that are qualified for distribution in each of the provinces and territories of Canada. Accordingly, FTIC is a member of the organization of a mutual fund family within the meaning of NI 81-105.
7. Subsection 5.4(1) of NI 81-105 prohibits a member of the organization of a mutual fund from paying money, providing non-monetary benefits or paying or reimbursing the costs or expenses relating to a conference, seminar or course that is organized and presented by The Investment Funds Institute of Canada (IFIC), the Investment Dealers Association of Canada (the IDA) or another trade or industry association. Subsection 5.4(2) of NI 81-105 provides an exemption to permit the Mutual Fund Organizations to pay to IFIC, the IDA or their respective affiliates or associates, direct costs incurred by IFIC, the IDA or their respective affiliates or associates relating

to a conference or seminar organized and presented by IFIC, the IDA or their respective affiliates or associates, subject to the conditions set out therein.

8. FTIC and other Mutual Fund Organizations have agreed, subject to the grant of this Decision, to pay or reimburse to CIFPs a portion of the direct costs incurred by CIFPs for organizing and presenting the Annual National Conference. CIFPs also anticipates that FTIC and other Mutual Fund Organizations will similarly agree to pay or reimburse CIFPs in respect of the Institute's Future Educational Events. FTIC's and the other Mutual Fund Organizations' payment of a portion of the direct costs incurred by CIFPs in connection with the Annual National Conference or the Insitute's Future Educational Events will comply with the conditions set out in subsection 5.4(2) of NI 81-105. The conditions include:

- (a) the primary purpose of the Annual National Conference was and the primary purpose of the Institute's Future Educational Events will be the provision of educational information about financial planning and matters relating to mutual funds and related products;
- (b) none of the Mutual Fund Organizations in a mutual fund family will pay in the aggregate more than ten percent of the total direct costs incurred by CIFPs for the organization and presentation of the Annual National Conference and the Institute's Future Educational Events;
- (c) the selection of a representative of a participating dealer to attend the Annual National Conference was made exclusively by the participating dealer, uninfluenced by the Mutual Fund Organizations and the selection of a representative of a participating dealer to attend the Institute's Future Educational Events will be made exclusively by the participating dealer, uninfluenced by the Mutual Fund Organizations; and
- (d) the Annual National Conference was held in Canada and the Institute's Future Educational Events will be held in Canada or the continental United States of America.

**Decision**

Each of the Decision Makers is satisfied that the test contained in the Legislation that provides the Decision Maker with the jurisdiction to make the Decision has been met.

The decision of the Decision Makers under the Legislation is that the Requested Relief is granted so long as the Mutual Fund Organizations comply with the conditions set out in subsections 5.4(2)(a) to (d) of NI 81-105.

The further decision of the Decision Makers under the Legislation is that the Requested Relief will terminate one year after the publication in final form of any legislation or rule that modifies the provisions of section 5.4 of NI 81-105 in a manner which makes the relief provided for in this Decision Document unnecessary or provides similar relief on a different basis or subject to different conditions.

"Robert L. Shirriff"

"Paul K. Bates"



**2.1.3 Coastal Value Fund Inc. - MRRS Decision**

**Headnote**

Mutual Reliance Review System for Exemptive Relief Applications – issuer deemed to have ceased to be a reporting issuer.

**Applicable Ontario Statutory Provisions**

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

July 27, 2007

IN THE MATTER OF  
THE SECURITIES LEGISLATION OF  
ALBERTA, SASKATCHEWAN, MANITOBA, ONTARIO,  
QUÉBEC, NEW BRUNSWICK, NOVA SCOTIA  
AND NEWFOUNDLAND AND LABRADOR  
(the “Jurisdictions”)

AND

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

AND

IN THE MATTER OF  
COASTAL VALUE FUND INC.  
(the “Filer”)

**MRRS DECISION DOCUMENT**

**Background**

The local securities regulatory authority or regulator (the “**Decision Maker**”) in each of the Jurisdictions has received an application from the Filer for a decision under the securities legislation of the Jurisdictions (the “**Legislation**”) that the Filer be deemed to have ceased to be a reporting issuer in each of the Jurisdictions (the “**Requested Relief**”).

Under the Mutual Reliance Review System for Exemptive Relief Applications

- (a) the Ontario Securities Commission is the principal regulator for this application, and
- (b) this MRRS decision document evidences the decision of each Decision Maker.

**Interpretation**

Defined terms contained in National Instrument 14-101 *Definitions* have the same meaning in this decision unless they are defined in this decision.

**Representations**

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

1. The Filer is a corporation subsisting under the *Business Corporation Act* (Ontario).
2. The Filer’s head office and principal place of business is located at Suite 280, 12 Church Street, Hamilton, HM11, Bermuda.
2. The Filer is a reporting issuer in all of the Jurisdictions. On June 14, 2007, the Filer ceased to be a reporting issuer in British Columbia pursuant to British Columbia Instrument 11-502 *Voluntary Surrender of Reporting Issuer Status*.
3. The Filer is authorized to issue an unlimited number of Senior Preferred Shares, Class A Capital Shares, Class B Capital Shares and Class A Shares.
4. On February 21, 2007 all of its outstanding Class A Capital Shares, Class B Capital Shares and Class A Shares were retracted.
5. On February 21, 2007, the Filer redeemed all of its outstanding Senior Preferred Shares and the Senior Preferred Shares were subsequently delisted from trading on the Toronto Stock Exchange.
6. As of the date hereof, there are no securityholders of the Filer.
7. As of the date hereof, no securities of the Filer are traded on a marketplace as defined in National Instrument 12-201 *Marketplace Operations*.
8. The Filer is not in default of any of its obligations under the Legislation as a reporting issuer other than the requirement to file its interim financial statements and related management report of fund performance for the six month period ended March 31, 2007.

**Decision**

Each of the Decision Makers is satisfied that the test contained in the Legislation that provides the Decision Maker with the jurisdiction to make the decision has been met.

The decision of the Decision Makers under the Legislation is that the Requested Relief is granted.

“Robert L. Shirriff”  
Commissioner  
Ontario Securities Commission

“Paul K. Bates”  
Commissioner  
Ontario Securities Commission

**2.1.4 Mackenzie Financial Corporation and Quadrus Templeton Canadian Equity Fund - MRRS Decision**

**Headnote**

Mutual Reliance Review System for Exemptive Relief Applications – Approval required because merger does not meet the criteria for pre-approval outlined in section 5.6 of NI 81-102 – As the continuing fund is new, no simplified prospectus or financial statements are available to send to terminating fund unitholders – Terminating fund unitholders provided with prospectus-level disclosure with respect to the continuing fund.

**Applicable Legislative Provisions**

National Instrument 81-102 Mutual Funds, ss. 5.5(1)(b), 5.6(1)(f)(ii), 5.7(1)(b).

**July 3, 2007**

**IN THE MATTER OF  
THE SECURITIES LEGISLATION OF  
BRITISH COLUMBIA, ALBERTA, SASKATCHEWAN,  
MANITOBA, ONTARIO, QUÉBEC, NEW BRUNSWICK,  
NOVA SCOTIA, PRINCE EDWARD ISLAND,  
NEWFOUNDLAND AND LABRADOR,  
YUKON TERRITORY, NORTHWEST TERRITORIES  
AND NUNAVUT TERRITORY  
(the “Jurisdictions”)**

**AND**

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

**AND**

**IN THE MATTER OF  
MACKENZIE FINANCIAL CORPORATION  
 (“Mackenzie”)**

**AND**

**QUADRUS TEMPLETON CANADIAN EQUITY FUND  
(the “Terminating Fund”)**

**MRRS DECISION DOCUMENT**

**Background**

The local securities regulatory authority or regulator (the “**Decision Maker**”) in each of the Jurisdictions has received an application from Mackenzie on behalf of the Terminating Fund for a decision under the securities legislation of the Jurisdictions (the “**Legislation**”) granting approval for the proposed merger (the “**Merger**”) of the Terminating Fund into a new fund named Quadrus Sionna Canadian Value Corporate Class (the “**Continuing Fund**”, together with the Terminating Fund, the “**Funds**”) under subsection 5.5(1)(b)

of National Instrument 81-102 *Mutual Funds* (“**NI 81-102**”) (the “**Requested Relief**”).

Under the Mutual Reliance Review System for Exemptive Relief Applications:

- (a) the Ontario Securities Commission is the principal regulator for this application; and
- (b) this MRRS decision document evidences the decision of each Decision Maker.

**Interpretation**

Defined terms contained in National Instrument 14-101 - *Definitions* have the same meaning in this decision unless they are defined in this decision.

**Representations**

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

- 1. Mackenzie is a corporation governed by the laws of Ontario and is the manager of the Terminating Fund and will be the manager of the Continuing Fund. The head office of Mackenzie is located in Ontario.

*Terminating Fund*

- 2. The Terminating Fund is an open-end mutual fund trust created under the laws of Ontario and is a member of the “Quadrus Group of Funds”. The Terminating Fund offers the Quadrus Series of units and H Series of units in the Jurisdictions under a simplified prospectus and annual information form dated June 26, 2006, as amended (the “**Prospectus**”). The Terminating Fund also offers Series S units on a private placement basis under applicable prospectus exemptions.

- 3. The Terminating Fund is sold by Quadrus Investment Services Ltd. (the “**Principal Distributor**”) in its capacity as the principal distributor of the Terminating Fund.

- 4. The Terminating Fund is a reporting issuer under the applicable securities legislation of each province of Canada and is not on the list of defaulting reporting issuers maintained under the applicable securities legislation of the Decision Makers.

*Continuing Fund*

- 5. Mackenzie filed a preliminary simplified prospectus and annual information form for the Continuing Fund on May 29, 2007 in the Jurisdictions. Mackenzie expects to launch the Continuing Fund on or about July 3, 2007 as a member of the “Quadrus Group of Funds”. The

Continuing Fund will be a separate class of shares of Quadrus Corporate Class Inc. (“**Quadruscorp**”), a mutual fund corporation, and will offer three series of shares (Quadrus series, H Series and N series) under a simplified prospectus and annual information form. The Continuing Fund will also offer Series S units on a private placement basis under applicable prospectus exemptions.

6. The Continuing Fund will be sold by the Principal Distributor.

*Merger*

7. Mackenzie proposes to merge the Terminating Fund into the Continuing Fund. A press release, material change report and an amendment to the Prospectus were filed on SEDAR in March 2007 in connection with the Merger.
8. Unitholders of the Terminating Fund will be asked to approve the Merger at a special meeting to be held on or about July 25, 2007.
9. A notice of meeting and management information circular (the “**Circular**”) in connection with the Merger will be mailed to unitholders of the Terminating Fund on or about July 3, 2007.
10. Subject to the required approval of the Decision Makers and unitholders, the Merger will be implemented on or about July 27, 2007.
11. Following the Merger, the Continuing Fund will continue as a publicly offered open-end mutual fund and the Terminating Fund will be wound up as soon as reasonably practicable.
12. Neither the Terminating Fund nor the Continuing Fund will bear any of the costs and expenses of the merger, including brokerage commissions resulting from the need for portfolio realignment.
13. Unitholders of the Terminating Fund will continue to have the right to redeem units of the Terminating Fund for cash at any time up to the close of business on the business day immediately preceding the effective date of the Merger.
14. Unless an exemption has been obtained, the Terminating Fund follows, or in the case of the Continuing Fund, will follow, the standard investment restrictions and practices established by the Decision Makers.
15. The net asset value for the Terminating Fund is, and for the Continuing Fund will be, calculated on a daily basis on each day that The Toronto Stock Exchange is open for trading.

16. The Merger will be structured as a tax-deferred transaction within the meaning of section 85(1) of the Income Tax Act (Canada).
17. The portfolio and other assets of the Terminating Fund to be acquired by the Continuing Fund in connection with the Merger are acceptable to the portfolio advisor of the Continuing Fund and are consistent with the investment objectives of the Continuing Fund.
18. Approval of the Merger is required because the Merger does not satisfy all of the criteria for pre-approved reorganizations and transfers set out in section 5.6 of NI 81-102 because:
- (a) contrary to section 5.6(1)(a)(ii), a reasonable person may not consider the fee structure of the Continuing Fund to be substantially similar to the fee structure of the Terminating Fund; and
  - (b) contrary to section 5.6(1)(f)(ii) of NI 81-102, the current simplified prospectus and most recent annual and interim financial statements for the Continuing Fund will not be sent to the unitholders of the Terminating Fund.
19. Mackenzie cannot deliver the current simplified prospectus and the most recent annual and interim financial statements for the Continuing Fund as the Continuing Fund is new and does not yet have a simplified prospectus or financial statements. Instead of delivering these documents, Mackenzie has included a description of the Continuing Fund in the Circular as well as a description of the similarities and differences between the Terminating Fund and the Continuing Fund. In particular, the differences in the fee structure of the Terminating Fund and the Continuing Fund are disclosed in the Circular.
20. The information in the Circular, together with the information contained in the simplified prospectus of the Terminating Fund that unitholders in the Terminating Fund received when their initial investment was made, will provide unitholders with prospectus-level disclosure with respect to the Continuing Fund.
21. The Circular will also disclose that the simplified prospectus and annual information form regarding the Continuing Fund will be available on or about July 3, 2007, and that unitholders of the Terminating Fund can obtain such documents by calling the Principal Distributor at a toll-free telephone number or by accessing the SEDAR website. Upon request by a unitholder, the Principal Distributor will make best efforts to provide the unitholder with the simplified prospectus and annual information form in a

timely manner so that the unitholder can make an informed decision regarding the Merger.

22. Mackenzie believes that the Merger is in the best interests of the unitholders of the Terminating Fund for the following reasons:

- (a) the Terminating Fund has consistently underperformed its benchmark index and a merger into the Continuing Fund will provide investors with access to a portfolio manager with a strong track record of managing Canadian equity portfolios;
- (b) the Merger will provide a tax advantaged structure for non-registered unitholders of the Continuing Fund; and
- (c) unitholders of the Terminating Fund will become unitholders of a fund with greater long term viability.

**Decision**

Each of the Decision Makers is satisfied that the test contained in the Legislation that provides the Decision Maker with the jurisdiction to make the decision has been met.

The decision of the Decision Makers under the Legislation is that the Requested Relief is granted provided that the unitholders of the Terminating Fund receive prospectus-level disclosure with respect to the Continuing Fund to enable them to make an informed decision about the Merger.

“Leslie Byberg”  
Manager, Investment Funds Branch  
Ontario Securities Commission

**2.1.5 Legacy Hotels Real Estate Investment Trust and LGY Acquisition LP - MRRS Decision**

**Headnote**

Mutual Reliance Review System – OSC Rule 61-501 – take-over bid and subsequent business combination – Rule 61-501 requires sending of information circular and holding of meeting in connection with second step business combination – target's declaration of trust provides that a resolution in writing executed by unitholders holding more than 66 2/3% of the outstanding Units is valid and binding as if such voting rights had been exercised in favour of such resolution at a meeting of unitholders – second step business combination to be subject to minority approval, calculated in accordance with section 8.2 of Rule 61-501 – relief granted from requirement that information circular be sent and meeting be held.

**Applicable Legislative Provisions**

OSC Rule 61-501 Insider Bids, Issuer Bids, Business Combinations and Related Party Transactions, ss. 4.2, 9.1.

**August 2, 2007**

**IN THE MATTER OF  
THE SECURITIES LEGISLATION OF  
QUÉBEC AND ONTARIO**

**AND**

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

**AND**

**IN THE MATTER OF  
THE POTENTIAL TAKE-OVER BID FOR  
LEGACY HOTELS REAL ESTATE INVESTMENT  
TRUST BY LGY ACQUISITION LP**

**MRRS DECISION DOCUMENT**

**Background**

The local securities regulatory authority or regulator (the "**Decision Maker**") in each of Ontario and Québec (the "**Jurisdictions**") has received an application from LGY Acquisition LP ("**LGY**"), InnVest Real Estate Investment Trust ("**InnVest**") and Cadbridge Investors LP ("**Cadbridge**") and, together with LGY and InnVest, the "**Applicants**", in connection with a potential take-over bid (the "**Offer**") for Legacy Hotels Real Estate Investment Trust ("**Legacy**"), for a decision pursuant to the securities legislation of the Jurisdictions (the "**Legislation**") that the following requirements of the Legislation be waived (collectively, the "**Requested Relief**"):

- (1) a Compulsory Acquisition or Subsequent Acquisition Transaction (each as defined below),

as applicable, be approved at a meeting of the unitholders of Legacy (the "**Unitholders**"); and

- (2) an information circular be sent to the Unitholders in connection with either a Compulsory Acquisition or Subsequent Acquisition Transaction, as applicable.

Under the Mutual Reliance Review System ("**MRRS**") for Exemptive Relief Applications:

- (a) the Ontario Securities Commission (the "**OSC**") is the principal regulator for this application; and
- (b) this MRRS decision document evidences the decision of each Decision Maker.

### Interpretation

Defined terms contained in National Instrument 14-101 – *Definitions* have the same meaning in this decision unless they are defined in this decision.

### Representations

This decision is based on the following representations by the Applicants:

1. LGY is a limited partnership formed under the laws of the Province of Ontario on July 10, 2007 and has not carried on any business prior to the date hereof other than in respect of matters directly relating to the making of the Offer. LGY is not a reporting issuer in any of the provinces or territories in Canada. The general partner of LGY is 6800289 Canada Inc., a corporation formed by InnVest and Cadbridge, and the limited partners of LGY are InnVest (as to approximately 26%) and Cadbridge (as to approximately 74%).
2. On July 12, 2007, the Applicants entered into a support agreement (the "**Support Agreement**") with Legacy pursuant to which the Applicants have agreed, subject to certain conditions, that LGY will make the Offer to unitholders of Legacy ("**Unitholders**"). In connection with the Offer, the Applicants will prepare and mail a take-over bid circular (the "**Circular**") in the English and French languages to Unitholders of Legacy.
3. On the same date as the Support Agreement was executed, LGY entered into a lock-up agreement with Fairmont Hotels & Resorts Inc. ("**Fairmont**") whereby Fairmont agreed to tender to the Offer its approximate 20% ownership interest in Legacy.
4. The outstanding beneficial interests in Legacy consists of one class of trust units (the "**Units**"). The Units are held by CDS Clearing and Depository Services Inc. in book-entry only form. The trustees of Legacy are also authorized to issue voting certificates, which provide voting rights for holders of shares of a subsidiary of

Legacy that are exchangeable for Units, but provide no economic interest to the holder thereof. As of July 12, 2007, there were 116,083,060 Units and 4,900,000 voting certificates issued and outstanding. Fairmont holds all of the outstanding voting certificates.

5. If the Applicants decide to proceed with the Offer, it is currently expected that:

- (a) the Offer will be for all of the outstanding Units (other than those owned directly or indirectly by the Applicants), including Units that may be issued after the date of the Offer upon the exercise, conversion or exchange of securities that are exercisable for, or convertible or exchangeable into, Units, at a price of \$12.60 in cash per Unit;
- (b) one of the conditions of the Offer will be that there shall have been validly deposited under the Offer and not withdrawn at the expiry of the Offer such number of Units which, together with any Units directly or indirectly owned by the Applicants, representing at least 66 2/3% of the Units on a fully-diluted basis (the "**Minimum Tender Condition**");
- (c) if the conditions to the Offer are satisfied (or waived by the Applicants) and LGY takes up and pays for Units deposited pursuant to the Offer, LGY may proceed with a compulsory acquisition of the Units not deposited to the Offer as permitted by Section 13.02 of Legacy's declaration of trust dated September 11, 1997, as amended to August 3, 2006 (the "**Declaration of Trust**") for the same consideration per Unit as was paid under the Offer, if within 120 days after the date the Offer is made, the Offer is accepted by Unitholders representing at least 90% of the Units on a fully diluted basis (other than Units or exchangeable securities held at the date of the Offer by or on behalf of the Applicants or associates or affiliates of the Applicants) (a "**Compulsory Acquisition**");
- (d) in connection with either a Compulsory Acquisition, if available and if the Applicants elect to proceed thereunder, or a Subsequent Acquisition Transaction (as defined below), the Applicants currently intend to amend the Declaration of Trust by the Written Resolution (as defined below) to provide that non-tendering offerees will be deemed to have elected to transfer and to have transferred their Units to LGY immediately on the giving of LGY's notice

- prescribed by the Declaration of Trust notifying non-tendering offerees that, among other things, LGY is entitled to acquire their Units by way of Compulsory Acquisition or Subsequent Acquisition Transaction, as applicable (as opposed to 20 days after receipt of LGY's notice, as currently provided) (the "**Notice Amendment**");
- (e) if a Compulsory Acquisition as permitted under the Declaration of Trust is not available to the Applicants or the Applicants elect not to proceed under those provisions, the Applicants currently intend to acquire the Units not deposited to the Offer by:
- (i) amending the Declaration of Trust (the "**Redemption Amendment**") to provide that Legacy may redeem the Units of the non-tendering offerees for the same consideration per Unit as was paid under the Offer to the tendering offerees (the redemption being referred to herein as a "**Subsequent Acquisition Transaction**"); and
- (ii) proceeding with the Subsequent Acquisition Transaction in respect of the Units not deposited to the Offer as permitted by the Declaration of Trust, as so amended;
- (f) in order to effect either a Compulsory Acquisition, if available and if the Applicants elect to proceed thereunder, or a Subsequent Acquisition Transaction in accordance with the foregoing, rather than seeking the Unitholders' approval at a special meeting of the Unitholders to be called for such purpose, the Applicants intend to rely on Section 11.13 of the Declaration of Trust, which specifies that a resolution in writing signed by Unitholders holding more than 66 2/3% of the Units outstanding at any time shall be as valid and binding as if such resolution had been passed at a meeting of Unitholders duly called and convened (the "**Written Resolution**"), which Written Resolution will approve, among other things, the Redemption Amendment and the Notice Amendment and any Compulsory Acquisition or Subsequent Acquisition Transaction undertaken in accordance therewith, as applicable; and
- (g) if the Applicants are unable to or determine not to pursue either the Compulsory Acquisition or the Subsequent Acquisition Transaction in the manner described above, the Applicants reserve the right, to the extent permitted by applicable law and subject to the terms and conditions of the Support Agreement dated July 12, 2007 among the Applicants and Legacy pursuant to which the Applicants agreed that LGY would make, and Legacy agreed to support, the Offer, to (i) purchase additional Units in the open market or in privately negotiated transactions or otherwise, or (ii) take no further action to acquire additional Units, or (iii) acquire assets of Legacy by way of an arrangement, amalgamation, merger, reorganization, consolidation, recapitalization, redemption or other transaction involving the Applicants and/or their subsidiaries and affiliates, and Legacy and/or its subsidiaries. Alternatively, the Applicants may sell or otherwise dispose of any or all Units acquired pursuant to the Offer or otherwise.
6. Notwithstanding that Section 11.13 of the Declaration of Trust permits certain actions of Legacy to be authorized by Written Resolution, Section 4.2 of the *Autorité des marchés financiers* du Québec Regulation Q-27 – *Respecting Protection of Minority Shareholders in the Course of Certain Transactions* ("**Regulation Q-27**") and Section 4.2 of OSC Rule 61-501 – *Insider Bids, Issuer Bids, Business Combinations and Related Party Transactions* ("**Rule 61-501**") requires in certain circumstances that the Compulsory Acquisition or Subsequent Acquisition Transaction, as applicable, be approved at a meeting of Unitholders called for that purpose.
7. To effect either a Compulsory Acquisition or Subsequent Acquisition Transaction, as applicable, the Applicants will, if required, obtain minority approval, as that term is defined in the Legislation, calculated in accordance with the terms of Section 8.2 of Regulation Q-27 and Section 8.2 of Rule 61-501 (the "**Minority Approval**"), albeit not at a meeting of Unitholders, but by Written Resolution.
8. The offer and the Circular provided to Unitholders in connection with the Offer will contain all disclosure required by applicable securities laws, including without limitation the take-over bid provisions and form requirements of the Legislation and the provisions of Rule 61-501 relating to the disclosure required to be included in information circulars distributed in respect of business combinations.

**Decision**

Each of the Decision Makers is satisfied that the test contained in the Legislation that provides the Decision Maker with the jurisdiction to make the decision has been met.

The decision of the Decision Makers under the Legislation is that the Requested Relief is granted provided that Minority Approval shall have been obtained by Written Resolution, unless an exemption from the requirement to obtain Minority Approval is available to the Applicants in accordance with the terms of Section 4.6 of Regulation Q-27 and Section 4.6 of Rule 61-501.

“Erez Blumberger”  
Manager

**2.1.6 Partners in Planning Financial Services Ltd. - MRRS Decision**

**Headnote**

Mutual Reliance Review System for Exemptive Relief Applications – Relief granted from the requirements of section 11.2(1)(b) of NI 81-102 to permit commingling of cash received for the purchase or redemption of mutual fund securities with cash received for the purchase and sale of other securities or instruments the participating dealer of third party funds is permitted to trade and sell, subject to certain conditions.

**Applicable Legislative Provisions**

National Instrument 81-102 Mutual Funds, ss. 11.2(1)(b), 19.1.

July 31, 2007

**IN THE MATTER OF  
THE SECURITIES LEGISLATION OF  
BRITISH COLUMBIA, SASKATCHEWAN, MANITOBA,  
ONTARIO, PRINCE EDWARD ISLAND,  
NEWFOUNDLAND AND LABRADOR,  
NORTHWEST TERRITORIES,  
NUNAVUT AND YUKON (the Jurisdictions)**

**AND**

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

**AND**

**IN THE MATTER OF  
PARTNERS IN PLANNING FINANCIAL SERVICES LTD.  
(the Filer)**

**MRRS DECISION DOCUMENT**

**Background**

The local securities regulatory authority or regulator (the Decision Maker) in each of the Jurisdictions has received an application from the Filer for a decision (the Requested Relief) under the securities legislation of the Jurisdictions (the Legislation) for an exemption from the provisions of section 11.2(1)(b) of National Instrument 81-102 *Mutual Funds* (NI 81-102) that prohibit a participating dealer and other service providers from commingling cash received for the purchase or redemption of mutual fund securities (MF Cash) with cash received for the purchase or sale of other securities or instruments which the Filer is permitted to trade or sell (Other Cash) (the Commingling Prohibition).

Under the Mutual Reliance Review System for Exemptive Relief Applications

- (a) The Saskatchewan Financial Services Commission is the principal regulator for this application, and
- (b) This MRRS decision document evidences the decision of each Decision Maker.

**Interpretation**

Defined terms contained in National Instrument 14-101 Definitions have the same meaning in this decision unless they are defined in this decision.

**Representations**

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

- 1. The Filer is a corporation incorporated under the *Canada Business Corporations Act* and is registered as mutual fund dealer in all provinces and territories of Canada where such registration is required for the purpose of trading mutual fund securities.
- 2. The Filer is a member of the Mutual Fund Dealers Association of Canada (the MFDA).
- 3. The Filer is a participating dealer of third-party mutual fund securities. In addition to mutual fund securities the Filer distributes principal protected notes issued by chartered banks or government guaranteed institutions and other securities and instruments that the Filer is permitted to trade and sell.
- 4. The Filer proposes to commingle and pool MF Cash and Other Cash in a trust account established under Section 11.3 of NI 81-102 (the Trust Account). The commingling of MF Cash and Other Cash would facilitate significant administrative and systems economies that will enable the Filer to enhance its level of service to its client accounts at less cost to the Filer. The Trust Account is designated as a 'trust account' by the financial institution at which it is held.
- 5. The Commingling Prohibition prevents the Filer from commingling the MF Cash and Other Cash. On June 23, 2006 the MFDA granted relief from their equivalent commingling prohibition in section 3.3.2(e) of the Rules of the MFDA (the MFDA Rules) to the Filer subject to the Filer obtaining similar relief from the Decision Makers.
- 6. Should the Requested Relief be granted by the Decision Makers, the Filer will provide the MFDA with notice that the Requested Relief has been granted.
- 7. The Filer will maintain proper records with respect to client cash in a commingled account, and will ensure that the Trust Account is reconciled in

- accordance with the MFDA Rules, and that MF Cash and Other Cash are properly accounted for daily.
- 8. MF Cash and Other Cash related to a transaction initiated by one of the Filer's clients will not be used to settle a transaction initiated by any other client of the Filer. The Filer settles through FundSERV, primarily on a net basis at the end of each trading day, MF Cash payable from the Trust Account to a mutual fund with MF Cash payable by the mutual fund to the Trust Account.
- 9. In providing its services the Filer utilizes sophisticated systems and is able to account for all of the monies it receives into and all of the monies that are to be paid out of the Trust Account in order to meet the requirements of sections 11.1 and 11.2 of NI 81-102.
- 10. Except for the Commingling Prohibition, the Filer will comply with all other requirements prescribed in Part 11 of NI 81-102 with respect to the handling and segregation of client cash.
- 11. As a member of the MFDA, the Filer is subject to the MFDA Rules on an ongoing basis, particularly those which set out requirements with respect to the handling and segregation of client cash. As a member of the MFDA, the Filer is expected to comply with all MFDA requirements.
- 12. The Filer does not believe that the interest of its clients will be prejudiced in any way by the commingling of MF Cash and Other Cash.
- 13. Effective July 1, 2005, the MFDA Investor Protection Corporation (MFDA IPC) commenced offering coverage, within defined limits, to customers of MFDA members against losses suffered due to the insolvency of MFDA members. The Filer does not believe that the Requested Relief will affect coverage provided by the MFDA IPC.
- 14. In the absence of the Requested Relief, the commingling of MF Cash and Other Cash in the Trust Account would contravene the Commingling Prohibition.

**Decision**

Each of the Decision Makers is satisfied that the test contained in the Legislation that provides the Decision Maker with the jurisdiction to make the Decision has been met.

The decision of the Decision Makers under the Legislation is that the Requested Relief is granted, provided that this Decision, as it relates to the jurisdiction of a Decision Maker, will terminate upon the coming into force of any change in the MFDA IPC rules which would reduce the



coverage provided by the MFDA IPC relating to MF Cash and Other Cash held in the Trust Account.

“W. F. Ready”  
Commission Member  
Saskatchewan Financial Services Commission

**2.1.7 Fidelity Investment Canada Limited et al. - MRRS Decision**

**Headnote**

Mutual Reliance Review System for Exemptive Relief Applications – s. 19.1 of National Instrument 81-102 Mutual Funds – exemption from section 2.7 (1)(a) of NI 81-102 to permit interest rate and credit derivative swaps and, for hedging purposes, currency swaps and forwards with a remaining term to maturity of greater than 3 years; exemption from section 2.8(1) of NI 81-102 to the extent that cash cover is required in respect of specified derivatives to permit the Funds to cover specified derivative positions with: certain bonds, debentures, notes or other evidences of indebtedness and securities of money market funds; and exemption from sections 2.8(1)(d) and (f)(i) NI 81-102 to permit the Funds when they open or maintain a long position in a standardized future or forward contract or when they enter into or maintain an interest rate swap position and during the periods when the Funds are entitled to receive payments under the swap, to use as cover, an option to sell an equivalent quantity of the underlying interest of the standardized future, forward or swap.

**Applicable Legislative Provisions**

National Instrument 81-102 Mutual Funds, ss. 2.7(1)(a), 2.8(1), 2.8(1)(d), 2.8(1)(f)(i), 19.1.

July 30, 2007

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

**AND**

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

**AND**

**IN THE MATTER OF  
FIDELITY INVESTMENT CANADA LIMITED  
(the “Filer”)**

**AND**

**THE FUNDS LISTED IN APPENDIX A**

**MRRS DECISION DOCUMENT**

**BACKGROUND**

The local securities regulatory authority or regulator (the Decision Maker) in each of the Jurisdictions has received

an application from the Filer for a decision under the securities legislation of the Jurisdictions (the "Legislation") granting exemptions pursuant to section 19.1 of National Instrument 81-102 Mutual Funds ("NI 81-102") in respect of the mutual funds managed by the Filer in Appendix A together with all future funds managed by the Filer other than money market funds (collectively, the "Fidelity Funds"):

- (a) from the requirement in section 2.7(1)(a) of NI 81-102 insofar as it requires a swap or forward contract to have a remaining term to maturity of 3 years or less (or 5 years or less in certain circumstances), to permit the Fidelity Funds to enter into interest rate swaps or credit default swaps or, if the transaction is for hedging purposes, currency swaps or forwards, in all cases with a remaining term to maturity of greater than 3 years;
- (b) from the requirement in section 2.8(1) of NI 81-102 to the extent that cash cover is required in respect of specified derivatives to permit each of the Fidelity Funds, to cover specified derivative positions with:
  - (i) any bonds, debentures, notes, or other evidences of indebtedness that are liquid ("Fixed Income Securities") provided they have a remaining term to maturity of 365 days or less and have an approved credit rating; and
  - (ii) securities of a money market mutual fund managed by Fidelity (collectively, the "Money Market Funds"); and
- (c) from the requirements in sections 2.8(1)(d) and (f)(i) of NI 81-102 to permit the Fidelity Funds when:
  - (i) they open or maintain a long position in a debt-like security that has a component that is a long position in a forward contract or in a standardized future or forward contract; or
  - (ii) they enter into or maintain a swap position and during the periods when the Fidelity Funds are entitled to receive payments under the swap;

to use as cover, a right or obligation to sell an equivalent quantity of the underlying interest of the standardized future, forward or swap

(paragraphs (a), (b) and (c) collectively will be referred as the Requested Relief).

Under the Mutual Reliance Review System for Exemptive Relief Applications:

- (a) the Ontario Securities Commission is the principal regulator for this application; and
- (b) this MRRS decision document evidences the decision of each Decision Maker.

**INTERPRETATION**

Defined terms contained in National Instrument 14-101 Definitions have the same meaning in this decision unless they are defined in this decision.

**REPRESENTATIONS**

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

**The Fidelity Funds**

1. Fidelity is a corporation incorporated under the laws of Canada and continued and amalgamated under the laws of Ontario and having its registered head office in Toronto, Ontario.
2. Fidelity is, or will be, the trustee, manager and principal distributor of the Fidelity Funds.
3. The Fidelity Funds are, or will be, mutual fund trusts established under the laws of the Province of Ontario.
4. The Fidelity Funds are, or will be, qualified for distribution in each of the provinces and territories of Canada under a simplified prospectus and annual information form.
5. The Fidelity Funds are, or will be, reporting issuers in each of the provinces and territories of Canada. The existing Fidelity Funds are not, to the knowledge of Fidelity, in default of any requirements of the Securities Act (Ontario) and similar applicable securities legislation in each of the other Participating Jurisdictions.
6. The Fidelity Funds may use specified derivatives as part of their investment strategies to gain or reduce exposure to securities and financial markets instead of investing in the securities directly. The Fidelity Funds may also use derivative instruments to: (i) reduce risk by protecting the Fidelity Funds against potential losses from changes in interest rates; (ii) to reduce the impact of currency fluctuations on the Fidelity Funds' portfolio holdings; and (iii) to provide protection for the Fidelity Funds' portfolios.

**Interest Rate Swaps, Credit Default Swaps and Currency Swaps/Forwards for Hedging Purposes**

7. Section 2.7(1)(a) of NI 81-102 prohibits mutual funds from entering into swaps or forward contracts with terms to maturity of greater than 3 years, or greater than 5 years if the contract

- provides the fund with a right to eliminate its exposure within 3 years. The Fidelity Funds seek the ability to enter into interest rate swaps or credit default swaps or, if the transaction is for hedging purposes, currency swaps or forwards, without a restriction as to the term of the swap or forward.
8. Fixed income investments have risks which include (but are not limited to) interest rate risk, credit risk and currency risk. These risks can be controlled or mitigated through the use of over-the-counter (OTC) derivatives. Interest rate risk may be managed by interest rate swaps, credit risk can be managed by credit default swaps and currency risk by currency swaps or forwards.
  9. The term of a swap equals the maturity of its exposure, in contrast to other over-the-counter transactions, such as options and certain other types of forwards, where the contract term and maturity of the underlying security are not related. As a result, there is no restriction under NI 81-102, for example, on a forward with an underlying interest having a term of 10 years whereas there is a restriction if the derivative is in the form of a swap.
  10. Credit default swaps (CDS) have a similar risk profile to their reference entity (corporate or sovereign bonds or asset backed securities) or, in the case of an index of credit default swaps (such as CDX), to an average of all the reference entities in the index or, in the case of a basket of reference entities, to an average of all the reference entities in the basket. The term of a credit default swap imparts credit risk similar to that of a bond of the reference entity with the same term. The Fidelity Funds may not be able to achieve the same sensitivity to credit risk as their respective benchmarks by using credit default swaps with a maximum term of 3 years because the relevant benchmark may have an average term that is longer. There is no term restriction in NI 81-102 when investing directly in the reference entities.
  11. A currency forward used for hedging purposes may or may not have a contract term and maturity that equals the maturity of the underlying interest. For example, if a 10 year bond is denominated in U.S. dollars, under the current provisions of NI 81-102, the term of the currency forward can be at most 5 years whereas the term of the underlying interest is 10 years. Ideally to manage the currency risk, a fund must enter into two consecutive 5-year currency forwards. However, the pricing for the currency forward in respect of the second 5 year period is not known at the time the U.S. dollar bond is purchased but only 5 years hence. Consequently, the inability to enter into a 10 year currency forward transaction indirectly introduces currency risk when a hedged 10 year position was the desired outcome. Accordingly, whenever the term of the bond is longer than 5 years, a fund may be exposed to currency risk. This analysis is also true of currency swaps. This constraint has become very relevant given that there are no longer foreign investment restrictions under the *Income Tax Act* (Canada). It should also be noted that it is not market convention to have a transaction with a 5 year term (subject to a right to eliminate the exposure within 3 years) and, as a result, from time to time, this off-market feature may subject a fund to less efficient pricing.
  12. The interest rate swap market, credit default swap market, currency swap and forward markets are very large and liquid.
  13. The interest rate swap market is generally as liquid as government bonds and more liquid than corporate bonds. The Bank for International Settlements reported that the notional amount of interest rate swaps outstanding was U.S. \$172.8 trillion as of December 31, 2005. In Canada, there were over U.S. \$1.5 trillion of interest rate swaps outstanding as of such date, greater than the sum of all outstanding federal and provincial debt.
  14. Credit default swaps, on average, are highly liquid instruments. Single name CDS are slightly less liquid than the bonds of their reference entities, while CDS on CDX are generally more liquid than corporate or emerging market bonds. The Bank for International Settlements reported that the notional amount of credit default swaps outstanding was U.S. \$20.7 trillion as of June 30, 2006. The International Swap and Derivatives Association's 2006 mid-year market survey estimated the notional amount outstanding to be U.S. \$20.6 trillion. Using either source, the credit default swap market has surpassed the size of the equity derivatives markets, and is one of the fastest growing financial markets.
  15. With respect to foreign exchange, the Bank for International Settlements reported that the notional amount of outright forwards and foreign exchange swaps outstanding was U.S. \$19.4 trillion as at June 30, 2006. For comparative purposes, the S&P 500 had an estimated market capitalization of U.S. \$11.5 trillion on such date. The Bank for International Settlements also reported that the average daily turnover of OTC foreign exchange was U.S. \$1,292 billion during April, 2004. The average daily turnover of outright forwards and foreign exchange swaps totalled U.S. \$1,152 billion during such period. For comparative purposes, the daily trading during July 2006 was in the case of the New York Stock Exchange approximately U.S. \$65.3 billion and in the case of the Toronto Stock Exchange approximately CAD \$5.1 billion. Daily trading is many times larger for currencies and currency forwards than for well-known equity exchanges.

16. Because swaps and forward contracts are private agreements between two counterparties, a secondary market for the agreements would be a cumbersome process whereby one counterparty would have to find a new counterparty willing to take over its contract at a fair market price, get the original counterparty to approve the new counterparty, and exchange a whole new set of documents. To avoid that process, market participants can unwind their positions in interest rate swaps and currency swaps or forwards by simply entering into an opposing swap or forward with an acceptable counterparty at market value. In this way, the original economic position of the initial swap or forward is offset. Parties may also agree to terminate the agreement at a fair market price prior to the maturity date of the agreement.
17. Credit risk exposure to a counterparty on a interest rate swap transaction is generally a small fraction of the underlying notional exposure, equal to the cumulative price change since the inception of the swap. Even that small risk will be mitigated because the counterparty will be required to have an approved credit rating prescribed by NI 81-102. It may be further mitigated where a counterparty is required to provide collateral equal to the cumulative price in excess of a specified mark-to-market threshold, which is commonly US\$250,000.
18. Potential credit exposure to a counterparty on a credit default swap on a credit default index is equal to the notional exposure to any issuer in the index who has defaulted or, in the case of a single name CDS, equal to the full notional exposure. As is the case with interest rate swaps, this exposure is mitigated because the counterparty will be required to have an approved credit rating prescribed by NI 81-102 and exposure to any individual counterparty is limited by NI 81-102. It may be further mitigated where a counterparty is required to provide collateral equal to the cumulative price in excess of a specified mark-to-market threshold, which is commonly US\$250,000.
19. By permitting the Fidelity Funds to enter into swaps and forwards beyond 3 years terms, it increases the possibility for the Fidelity Funds to (i) increase returns due to the fact that the opportunity set is expanded, and (ii) target exposures that might not otherwise be available in the cash bond markets or could not be achieved as efficiently as in the cash bond markets. Further, the use of swaps and forwards beyond 3 year terms enables the Fidelity Funds to effect hedging transactions that help mitigate underlying investment risks associated with investing in fixed income investments.

## Using Fixed Income Securities as Cash Cover

### Cash Cover

20. The purpose of the cash cover requirement in NI 81-102 is to prohibit a mutual fund from leveraging its assets when using certain specified derivatives and to ensure that the mutual fund is in a position to meet its obligations on the settlement date. This is evident from the definition of "cash cover", which is defined as certain specific portfolio assets of the mutual fund that have not been allocated for specific purposes and that are available to satisfy all or part of the obligations arising from a position in specified derivatives held by the mutual fund. Currently, the definition of "cash cover" includes six different categories of securities, including certain evidences of indebtedness (cash equivalents and commercial paper) that generally have a remaining term to maturity of 365 days or less and that have an approved credit rating or are issued or guaranteed by an entity with an approved credit rating (collectively, "short-term debt").
21. In addition to the securities currently included in the definition of cash cover, the Funds would also like to invest in Fixed Income Securities and/or units of the Money Market Funds for purposes of satisfying their cash cover requirements.

### Fixed Income Securities

22. While the money market instruments that are currently permitted as cash cover are highly liquid, these instruments typically generate very low yields relative to longer dated instruments and similar risk alternatives.
23. Other fixed income instruments with maturities less than 365 days and approved credit ratings are also liquid but provide the potential for higher yields.
24. The definition of cash cover addresses regulatory concerns of interest rate risk and credit risk by limiting the terms of the instruments and requiring the instruments to have an approved credit rating. By permitting the Fidelity Funds to use for cash cover purposes Fixed Income Securities with a remaining term to maturity of 365 days or less and an approved credit rating, the regulatory concerns are met, since the term and credit rating will be the same as other instruments currently permitted to be used as cash cover.

### Money Market Funds

25. Under NI 81-102, in order to qualify as money market funds, the Money Market Funds are restricted to investments that are, essentially, considered to be cash cover. These investments include floating rate evidences of indebtedness

(also known as floating rate notes – FRNs) if their principal amounts continue to have a market value of approximately par at the time of each change in the rate to be paid to their holders.

26. If the direct investments of the Money Market Funds would constitute cash cover under NI 81-102, then indirectly holding these investments through an investment in the units of any Money Market Fund should also satisfy the cash cover requirements of NI 81-102.

**Using Put Options as Cover for Long Positions in Futures, Forwards and Swaps**

27. Sections 2.8(1)(d) and 2.8(1)(f)(i) of NI 81-102 do not permit covering the position in long positions in futures and forwards and positions in swaps for a period when a fund is entitled to receive payments under the swap, in whole or in part with a right or obligation to sell an equivalent quantity of the underlying interest of the future, forward or swap. Accordingly, those sections of NI 81-102 do not permit the use of put options or short future, forward or swap positions to cover long future, forward or swap positions.
28. Regulatory regimes in other countries recognize the hedging properties of options for all categories of derivatives, including long positions evidenced by standardized futures or forwards or in respect of swaps where a fund is entitled to receive payments from the counterparty, provided they are covered by an amount equal to the difference between the market price of a holding and the strike price of the option that was bought or sold to hedge it. NI 81-102 effectively imposes the requirement to overcollateralize, since the maximum liability to the fund under the scenario described is equal to the difference between the market value of the long and the exercise price of the option. Overcollateralization imposes a cost on a mutual fund.
29. Section 2.8(1)(c) of NI 81-102 permits a mutual fund to write a put option and cover it with buying a put option on an equivalent quantity of the underlying interest of the written put option. This position has similar risks as a long position in a future, forward or swap and the Fidelity Funds should be permitted to cover a long position in a future, forward or swap with a put option or short future, forward or swap position.

**Derivative Policies and Risk Management**

30. The Filer and its affiliates have written limits and controls relating to the use of derivatives for the Fidelity Funds and these limits are monitored on a daily basis by a compliance monitoring team. The Chief Compliance Officer of Fidelity is responsible for oversight of all compliance policies, including those related to derivative strategies used by the

Fidelity Funds. In addition, the use of derivatives by the Fidelity Funds is subject to the usual portfolio manager review procedures which occur monthly and quarterly.

31. The prospectus and annual information form of the Fidelity Funds discloses the internal controls and risk management processes of the Filer regarding the use of derivatives and, upon renewal, will include disclosure of the nature of the exemptions granted in respect of the Fidelity Funds.
32. Without these exemptions regarding the cash cover requirements of NI 81-102, the Fidelity Funds will not have the flexibility to enhance yield and to manage more effectively their exposure under specified derivatives.

**DECISION**

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 Requested Relief is granted provided that:

- (i) the Fixed Income Securities have a remaining term to maturity of 365 days or less and have an “approved credit rating” as defined in NI 81-102;
- (ii) a Fidelity Fund shall not open or maintain a long position in a debt-like security that has a component that is a long position in a forward contract, or in a standardized future or forward contract unless the Fund holds
  - (a) cash cover in an amount that, together with margin on account for the specified derivative and the market value of the specified derivative, is not less than, on a daily mark-to-market basis, the underlying market exposure of the specified derivative;
  - (b) a right or obligation to sell an equivalent quantity of the underlying interest of the future or forward contract, and cash cover that together with margin on account for the position, is not less than the amount, if any, by which the strike price of the future or forward contract exceeds the strike price of the right or obligation to sell the underlying interest; or
  - (c) a combination of the positions referred to in subparagraphs (a) and (b) that is sufficient, without recourse to other assets of the Fidelity Fund, to enable the

- Fidelity Fund to acquire the underlying interest of the future or forward contract.
- (iii) a Fidelity Fund shall not enter into or maintain a swap position unless for periods when the Fidelity Fund would be entitled to receive fixed payments under the swap, the Fidelity Fund holds
- (a) cash cover in an amount that, together with margin on account for the swap and the market value of the swap, is not less than, on a daily mark-to-market basis, the underlying market exposure of the swap;
  - (b) a right or obligation to enter into an offsetting swap on an equivalent quantity and with an equivalent term and cash cover that together with margin on account for the position is not less than the aggregate amount, if any, of the obligations of the Fidelity Fund under the swap less the obligations of the Fidelity Fund under such offsetting swap; or
  - (c) a combination of the positions referred to in clauses (a) and (b) that is sufficient, without recourse to other assets of the Fidelity Fund, to enable the Fidelity Fund to satisfy its obligations under the swap.
- (iv) a Fidelity Fund shall disclose the nature and terms of this relief in the Fidelity Fund's prospectus under the Investment Strategies section, or in the introduction to Part B of the prospectus with a cross reference thereto under the Investment Strategies section and in the Fidelity Fund's annual information form.

“Leslie Byberg”  
Manager, Investment Funds Branch  
Ontario Securities Commission

**APPENDIX “A”**

Fidelity Canadian Disciplined Equity<sup>®</sup> Fund  
Fidelity Canadian Growth Company Fund  
Fidelity Canadian Large Cap Fund  
Fidelity Canadian Opportunities Fund  
Fidelity Dividend Fund  
Fidelity True North<sup>®</sup> Fund  
Fidelity American Disciplined Equity<sup>®</sup> Fund  
Fidelity American Opportunities Fund  
Fidelity American Value Fund

Fidelity Growth America Fund  
Fidelity Small Cap America Fund  
Fidelity AsiaStar<sup>™</sup> Fund  
Fidelity China Fund  
Fidelity Emerging Markets Fund  
Fidelity Europe Fund  
Fidelity Far East Fund  
Fidelity Global Disciplined Equity<sup>™</sup> Fund  
Fidelity Global Fund  
Fidelity Global Opportunities Fund  
Fidelity Global Real Estate Fund  
Fidelity Global Dividend Fund  
Fidelity International Disciplined Equity<sup>™</sup> Fund  
Fidelity International Value Fund  
Fidelity Japan Fund  
Fidelity Latin America Fund  
Fidelity NorthStar<sup>™</sup> Fund  
Fidelity Overseas Fund  
Fidelity Focus Consumer Industries Fund  
Fidelity Focus Financial Services Fund  
Fidelity Focus Health Care Fund  
Fidelity Focus Natural Resources Fund  
Fidelity Focus Technology Fund  
Fidelity Focus Telecommunications Fund  
Fidelity Canadian Asset Allocation Fund  
Fidelity Canadian Balanced Fund  
Fidelity Monthly Income Fund  
Fidelity Global Asset Allocation Fund  
Fidelity Global Monthly Income Fund  
Fidelity ClearPath<sup>™</sup> 2005 Portfolio  
Fidelity ClearPath<sup>™</sup> 2010 Portfolio  
Fidelity ClearPath<sup>™</sup> 2015 Portfolio  
Fidelity ClearPath<sup>™</sup> 2020 Portfolio  
Fidelity ClearPath<sup>™</sup> 2025 Portfolio  
Fidelity ClearPath<sup>™</sup> 2030 Portfolio  
Fidelity ClearPath<sup>™</sup> 2035 Portfolio  
Fidelity ClearPath<sup>™</sup> 2040 Portfolio  
Fidelity ClearPath<sup>™</sup> 2045 Portfolio  
Fidelity ClearPath<sup>™</sup> Income Portfolio  
Fidelity Canadian Bond Fund  
Fidelity Canadian Short Term Bond Fund  
Fidelity American High Yield Fund  
Fidelity American High Yield Currency Neutral Fund  
Fidelity Global Bond Fund  
Fidelity Global Bond Currency Neutral Fund  
Fidelity Income Trust Fund  
Fidelity Monthly High Income Fund  
Fidelity Income Portfolio  
Fidelity Global Income Portfolio  
Fidelity Balanced Portfolio  
Fidelity Global Balanced Portfolio  
Fidelity Growth Portfolio  
Fidelity Global Growth Portfolio  
Fidelity Special Situations Fund

2.2 Orders

2.2.1 The Province of Manitoba and the Manitoba Hydro-Electric Board

IN THE MATTER OF  
ONTARIO SECURITIES COMMISSION RULE 13-502 FEES

AND

IN THE MATTER OF  
THE PROVINCE OF MANITOBA AND THE MANITOBA HYDRO-ELECTRIC BOARD

ORDER

**WHEREAS** the Director has received an application from The Province of Manitoba (the Province) and its wholly owned Crown corporation, The Manitoba Hydro-Electric Board (Manitoba Hydro) for an order, pursuant to section 6.1 of OSC Rule 13-502 Fees (Fees Rule), that the requirement to pay a participation fee under section 2.2 of the Fees Rule shall not apply to the Province or Manitoba Hydro, subject to certain terms and conditions.

**AND WHEREAS** the Province and Manitoba Hydro have represented to the Director that:

1. The Province is formally described as The Crown in Right of the Province of Manitoba.
2. Manitoba Hydro is formally described as The Manitoba Hydro-Electric Board, a wholly-owned Crown corporation of the Province pursuant to *The Manitoba Hydro Act*, as amended by *The Manitoba Hydro Amendment Act*.
3. The Province and Manitoba Hydro have each been designated as a reporting issuer by The Manitoba Securities Commission (MSC) as of May 29, 2007.
4. The Province and Manitoba Hydro have been issuing either Manitoba Hydro Bonds or Manitoba Builder Bonds annually since 1989 (collectively, the Bonds). Bonds can only be sold to Manitoba residents in the first instance. Manitoba Hydro does not have any securities issued to the public except Manitoba Hydro Savings Bonds. Manitoba Builder Bonds are direct obligations of the Province and Manitoba Hydro Bonds are unconditionally guaranteed as to principal and interest by the Province.
5. All securities of the Province and Manitoba Hydro issued and outstanding in Canada, including the Bonds, are, at the time of issue, exempt securities which qualify pursuant to the exemption available in subsection 2.34(2) of National Instrument 45-106 *Prospectus and Registration Exemption* (NI 45-106).
6. The Bonds rank *pari passu* with all other debt issues of the Province of Manitoba. No Bonds other than those that rank *pari passu* will be issued in the future. The Bonds are currently rated based upon the long term debt rating assigned to the Province. Long term direct debt obligations of the Province or debt obligations guaranteed by the Province are rated as follows by the following rating agencies:

Standard & Poors:	"AA-"
Moody's:	"Aa1"
DBRS:	"A (high)"

7. Financial information concerning the Province and Manitoba Hydro is available as follows:
  - a. Disclosure sources for the Province, which includes budget information and the public accounts of the Province, are available at:

<http://www.gov.mb.ca/finance/financialreports.html>

- b. and for Manitoba Hydro, which includes annual and interim financial statements, are available at:

<http://www.hydro.mb.ca/corporate/financial.shtml>  
<http://www.hydro.mb.ca/corporate/ar/archives.shtml> and  
<http://www.hydro.mb.ca/corporate/qr/archives.shtml>

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**Decisions, Orders and Rulings**

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8. The Province and Manitoba Hydro, responding in part to Manitoba based broker requests, wish to provide greater liquidity and transparency with respect to such Bonds and have agreed to list Bonds, and future issuances of such bonds, on the Canadian Trading and Quotation System (CNQ) to facilitate secondary trading of Bonds.
9. As a consequence of proceeding to list the Bonds on CNQ, the Province and Manitoba Hydro became reporting issuers, and, in the absence of relief, would be required to satisfy continuous disclosure and other requirements which apply to reporting issuers. As a consequence, the Province and Manitoba Hydro (i) applied to the MSC for deemed reporting issuer status in Manitoba, (ii) applied to the MSC and the Ontario Securities Commission (OSC) for relief under the Mutual Reliance Relief System for relief from the continuous reporting and other requirements imposed on reporting issuers, and (iii) applied to the OSC for an exemption from the requirement to pay participation fees, subject to conditions.
10. The securities for which the relief is sought are existing Bonds and future issues of such Bonds, listed on CNQ, and such Bonds will either be direct debt obligations of the Province (in the case of Manitoba Builder Bonds) or obligations guaranteed by the Province (in the case of Manitoba Hydro Bonds). The existing Bonds are as follows:

<b>Bond Series</b>	<b>Bond Type</b>	<b>Maturity Date</b>
Builder Bonds VII	Annual Fixed Rate	June 15, 2008
Builder Bonds VII	Compound Fixed Rate	June 15, 2008
Builder Bonds VII	Annual Floating Rate	June 15, 2008
Builder Bonds VIII	Annual Fixed Rate	June 15, 2009
Builder Bonds VIII	Compound Fixed Rate	June 15, 2009
Builder Bonds VIII	Annual Floating Rate	June 15, 2009
Builder Bonds IX	Annual Fixed Rate	June 15, 2008
Builder Bonds IX	Annual Fixed Rate	June 15, 2010
Builder Bonds IX	Compound Fixed Rate	June 15, 2010
Builder Bonds IX	Annual Floating Rate	June 15, 2010
Hydro Bonds 9	Annual Fixed Rate	June 15, 2009
Hydro Bonds 9	Annual Fixed Rate	June 15, 2011
Hydro Bonds 9	Compound Fixed Rate	June 15, 2011
Hydro Bonds 9	Annual Floating Rate	June 15, 2011
Hydro Bonds 10	Annual Fixed Rate	June 15, 2010
Hydro Bonds 10	Annual Fixed Rate	June 15, 2012
Hydro Bonds 10	Compound Fixed Rate	June 15, 2012
Hydro Bonds 10	Annual Floating Rate	June 15, 2012

11. The Bonds must maintain a minimum "investment grade" rating to continue being listed on CNQ, being the following or better:
- Standard & Poors: "BBB"  
Moody's: "Baa"  
DBRS: "BBB"
12. Except for the Bonds, which are listed on CNQ, none of the securities of The Province or Manitoba Hydro are listed or proposed to be listed on any stock exchange in Canada, except that in 2002 the Province issued promissory notes maturing August 8, 2007, whose performance was linked to the Standard and Poor Index (S&P Notes), listed those S&P Notes on the Toronto Stock Exchange and obtained a local order from the OSC designating the Province as a non-reporting issuer to comply with securities regulatory requirements at that time. The S&P Notes are still listed as at the date hereof.
13. In connection with the listing, the CNQ web site provides a "home" page for the Bond issues of the Province and Manitoba Hydro where web links, as described above, to the disclosure information for the Province and for Manitoba Hydro appear, and where the Bond ratings of the Province and Manitoba Hydro also appear. Changes in the debt rating of the Province will be reported on the Province of Manitoba "home" page on CNQ and the links to disclosure



information on that same page will provide updated information about the Province and Manitoba Hydro as it becomes available.

14. Pursuant to the MRRS Decision Document dated July 16, 2007 (the July 16, 2007 Continuous Disclosure Exemption) granted to the Province and Manitoba Hydro by the MSC, as principal regulator, on behalf of itself and the OSC (collectively, the Decision Makers), the Decision Makers made a decision:
- (i) under section 13.1 of National Instrument 51-102 *Continuous Disclosure Obligations* (NI 51-102) that the requirements of NI 51-102 shall not apply to the Province and Manitoba Hydro;
  - (ii) under section 4.5 of Multilateral Instrument 52-109 – *Certification of Disclosure in Issuers' Annual and Interim Filings* (MI 52-109) that the requirements of MI 52-109 shall not apply to the Province and Manitoba Hydro;
  - (iii) under section 8.1 of Multilateral Instrument 52-110 – *Audit Committees* (MI 52-110) that the requirements of MI 52-110 shall not apply to the Province and Manitoba Hydro;
  - (iv) under section 3.1 of National Instrument 58-101 – *Disclosure of Corporate Governance Practices* (NI 58-101) that the requirements of Part 2 of NI 58-101 shall not apply to the Province and Manitoba Hydro;
  - (v) under section 7.1 of National Instrument 13-101 – *System for Electronic Document and Analysis and Retrieval* (SEDAR) do not apply to the Province and Manitoba Hydro; and
  - (vi) under the securities legislation of the Province of Ontario and the Province of Manitoba and under section 6.1 of National Instrument 55-102 – *System for Electronic Disclosure by Insiders* that the insider reporting requirements of the securities legislation of the Province of Ontario and the Province of Manitoba and the requirement to file an insider profile do not apply to the Province and Manitoba Hydro;

subject to the conditions contained in that decision as follows:

- (a) The Bonds are listed on CNQ and will not be listed on any other exchange except CNQ, and no other securities of the Province or Manitoba Hydro, apart from the Bonds and the S&P Notes, are to be listed on an exchange in Canada.
  - (b) Changes in the debt rating of the Province are reported on the Province of Manitoba "home" page on CNQ on a timely basis and the links to disclosure information on that same page are maintained to provide updated information about the Province and Manitoba Hydro as it becomes available.
  - (c) The Bonds are fully guaranteed by the Province and maintain a minimum "investment grade" rating as described in paragraph 11 of this Order.
  - (d) All future debt issued by the Province or Manitoba Hydro will rank *pari passu* or be subordinate to the Bonds.
  - (e) The Bonds and any other securities issued by the Province and Manitoba Hydro are or will be issued on a basis which is exempt from the prospectus requirements of the Legislation and only issued relying upon s. 2.34(2) of NI 45-106.
15. No continuous disclosure documents concerning the Province of Manitoba and Manitoba Hydro will be filed with the OSC unless the conditions in the Continuous Disclosure Exemption are not satisfied.
16. The Province of Manitoba and Manitoba Hydro would be required (but for this order) to pay participation fees under the Fees Rule.

**THE ORDER** of the Director under the Fees Rule is that the requirement to pay a participation fee under section 2.2 of the Fees Rule does not apply to the Province of Manitoba and Manitoba Hydro, for so long as:

- (i) Manitoba Hydro continues to be a wholly owned Crown corporation of the Province of Manitoba pursuant to The Manitoba Hydro Act, as amended by The Manitoba Hydro Amendment Act.
- (ii) the Province of Manitoba and Manitoba Hydro continue to satisfy all of the conditions contained in the July 16, 2007 Continuous Disclosure Exemption.

**DATED** July 24, 2007.

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

**2.2.2 Paragon Minerals Corporation - s. 1(11)(b)**

**Headnote**

Section 1(11) – order that issuer is a reporting issuer for purposes of Ontario securities law – issuer already a reporting issuer in British Columbia, Alberta and Quebec – issuer's securities listed for trading on the TSX Venture Exchange – continuous disclosure requirements in British Columbia, Alberta and Quebec are substantially the same as those in Ontario.

**Statutes Cited**

Securities Act, R.S.O. 1990, c. S.5, as am., s. 1(11).

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

**AND**

**IN THE MATTER OF  
PARAGON MINERALS CORPORATION**

**ORDER  
(Section 1(11)(b))**

**UPON** the application of Paragon Minerals Corporation (the Applicant) for an order pursuant to clause 1(11)(b) of the Act that, for purposes of Ontario Securities law, the Applicant is a reporting issuer in Ontario;

**AND UPON** considering the application and the recommendations of staff of the Ontario Securities Commission (the Commission);

**AND UPON** the Applicant representing to the Commission as follows:

1. The Applicant is a company governed by the *Canada Business Corporations Act*. Its registered office and head office are located in Vancouver, British Columbia.
2. The Applicant has been a "reporting issuer" under the *Securities Act* (British Columbia), the *Securities Act* (Alberta) and the *Securities Act* (Quebec) since December 8, 2006.
3. The Applicant's common shares were listed on the TSX Venture Exchange (the "Exchange") on December 15, 2006 with the trading symbol "PGR" and continue to be listed on the Exchange. The Applicant's securities are not traded on any other exchange or trading or quotation system.
4. The Applicant is in compliance with all the requirements of the Exchange.
5. The Applicant is not a reporting issuer or the equivalent under the securities legislation of any

jurisdiction other than the Provinces of British Columbia, Alberta and Quebec.

6. The Applicant has determined that it has a significant connection to Ontario. More particularly, a Non-Objecting Beneficial Owner list provided by ADP Investor Communications indicated that as February 20, 2007, approximately 57.08% of the beneficial shareholders in that report were residents of Ontario and collectively such beneficial shareholders held approximately 20.25% of the Applicant's outstanding shares. In addition, management of the Applicant is aware that in a Registered Shareholder list as at February 20, 2007 provided by Computershare Investor Services Inc., approximately 22.45% of the registered shareholders in that list or the beneficial shareholders thereof were residents of Ontario (excluding CDS & Co.) and collectively such registered and/or beneficial shareholders held approximately 6.19% of the Applicant's outstanding shares. Accordingly, such beneficial and registered shareholders held approximately a total of 5,430,731 of the Applicant's outstanding shares (26.44%).
7. The Applicant is up to date in the filing of its financial statements and other continuous disclosure documents.
8. 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.
9. The continuous disclosure materials filed by the Applicant under the *Securities Act* (Alberta), the *Securities Act* (British Columbia) and the *Securities Act* (Quebec) are available on the System for Electronic Document Analysis and Retrieval.
10. Neither the Applicant nor any of its officers, directors or controlling shareholders has
  - (a) been the subject of any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority;
  - (b) entered into a settlement agreement with a Canadian securities regulatory authority; or
  - (c) been subject to any other penalties or sanctions imposed by a court or regulatory body that would likely be considered important to a reasonable investor making an investment decision.

11. The Applicant is not aware of:
- (a) any known ongoing or concluded investigations by:
    - (i) a Canadian securities regulatory authority; or
    - (ii) a court or regulatory body, other than a Canadian securities regulatory authority, that would be likely to be considered important to a reasonable investor making an investment decision; or
  - (b) any bankruptcy or insolvency proceedings, or other proceedings, arrangements or compromises with creditors, or the appointment of a receiver, receiver manager or trustee, within the 10 years before the date of the application;

relating to the Applicant, a director or officer of the Applicant, or a shareholder holding sufficient securities of the Applicant to affect materially the control of the Applicant.

12. None of the Applicant or its officers, directors or any controlling shareholder, is or has been at the time of such event an officer or director of any other issuer which is or has been subject to:
- (a) any cease trade or similar order, or order that denied access to any exemptions under Ontario securities law, for a period of more than 30 consecutive days, within the preceding 10 years; or
  - (b) any bankruptcy or insolvency proceedings, or other proceedings, arrangements or compromises with creditors, or the appointment of a receiver, receiver-manager or trustee, within the preceding 10 years.

13. The Applicant will remit all participation fees due and payable by it pursuant to Commission Rule 13-502 – Fees by no later than two business days from the date of this order.

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

**IT IS ORDERED** pursuant to clause 1(11)(b) of the Act that the Applicant is a reporting issuer for the purposes of Ontario securities law.

**DATED** June 28, 2007

“Iva Vranic”  
Manager, Corporate Finance

**2.2.3 Land Banc of Canada Inc. et al. - ss. 126, 127**

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

**AND**

**IN THE MATTER OF  
LAND BANC OF CANADA INC.,  
LBC MIDLAND I CORPORATION,  
FRESNO SECURITIES INC.,  
RICHARD JASON DOLAN, MARCO LORENTI,  
AND STEPHEN ZEFF FREEDMAN**

**ORDER  
SECTION 126 and 127**

**WHEREAS** on the 23rd day of April, 2007, the Ontario Securities Commission (the "Commission") ordered, pursuant to clause 2 of subsection 127(1) and subsection 127(5) of the Securities Act, R.S.O. 1990, c. S.5, as amended (the "Act") that all trading by Land Banc of Canada ("LBC"), LBC Midland I Corporation ("Midland"), Fresno Securities Inc. ("Fresno"), Richard Jason Dolan ("Dolan"), Marco Lorenti ("Lorenti") and Stephen Zeff Freedman ("Freedman"), (the "Respondents"), in any securities of Midland or any other corporation controlled by LBC, Dolan or Lorenti shall cease (the "Temporary Order");

**AND WHEREAS** the Commission further ordered as part of the Temporary Order that pursuant to clause 3 of subsection 127(1) and subsection 127(5) of the Act that any exemptions contained in Ontario securities law do not apply to the Respondents;

**AND WHEREAS** on the 23rd day of April, 2007, the Commission issued a Direction under s.126(1) of the Act to the Bank of Montreal branch at 2851 John St., in Markham, Ontario (the "BMO Markham Branch") to retain all funds, securities or property on deposit in the name of or otherwise under control of Midland at the BMO Markham Branch (the "Direction");

**AND WHEREAS** on the 30th of April, 2007 the Direction was continued on consent at the Superior Court of Justice (the "Court") until further notice of the Court but without prejudice to Midland to apply to the Commission to vary the Direction under s.126(7);

**AND WHEREAS** on May 1, 2007, the Commission issued a Notice of Hearing and Statement of Allegations in this matter;

**AND WHEREAS** on May 8, 2007, the Commission continued the Temporary Order against LBC, Midland, Dolan and Lorenti with certain amendments respecting Dolan and Lorenti until May 17, 2007;

**AND WHEREAS** on May 17, 2007, the Commission continued the Direction with certain variations until June 29, 2007;

**AND WHEREAS** on May 17, 2007, the Commission continued the Temporary Order against LBC, Midland, Dolan and Lorenti with certain amendments respecting Dolan and Lorenti until June 29, 2007;

**AND WHEREAS** on June 29, 2007, the Commission continued the Temporary Order against LBC, Midland, Dolan and Lorenti with certain amendments respecting Dolan and Lorenti until August 7, 2007;

**AND WHEREAS** upon submissions from counsel for Staff of the Commission and from counsel for Dolan and Lorenti;

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

**IT IS ORDERED THAT**

1. the Temporary Order is continued until September 19, 2007 against LBC, Midland, Dolan and Lorenti with the following amendments respecting Dolan and Lorenti, until further order of the Commission;
2. Dolan shall be permitted to trade in securities listed on a recognized exchange, including mutual fund units, only in his own existing account(s) and through a dealer registered with the Commission;
3. Lorenti shall be permitted to trade in securities listed on a recognized exchange, including mutual fund units, only in his own existing account(s) through a dealer registered with the Commission;
4. the Direction is continued until September 19, 2007 subject to the payment of expenses related to Midland approved by Staff in writing;
5. this Order shall not effect the right of LBC, Midland, Dolan and Lorenti to apply to the Commission to clarify or revoke the Temporary Order or Direction prior to September 19, 2007 upon three days notice to Staff of the Commission.

Dated at Toronto this 7th day of August, 2007

“Patrick LeSage”

“Suresh Thakrar”

## Chapter 4

# Cease Trading Orders

### 4.1.1 Temporary, Permanent & Rescinding Issuer Cease Trading Orders

Company Name	Date of Temporary Order	Date of Hearing	Date of Permanent Order	Date of Lapse/Revoke
Denninghouse Inc.	08 Aug 07	17 Aug 07		

### 4.2.1 Temporary, Permanent & Rescinding Management 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
Outlook Resources Inc.	08 Aug 07	21 Aug 07			

### 4.2.2 Outstanding 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
AldeaVision Solutions Inc.	03 May 07	16 May 07	16 May 07		
Argus Corporation Limited	25 May 04	03 Jun 04	03 Jun 04		
CoolBrands International Inc.	30 Nov 06	13 Dec 06	13 Dec 06		
Denninghouse Inc.	08 Aug 07	17 Aug 07			
Fareport Capital Inc.	13 Jul 07	26 Jul 07	26 Jul 07		
Hip Interactive Corp.	04 Jul 05	15 Jul 05	15 Jul 05		
HMZ Metals Inc.	03 Apr 06	14 Apr 06	17 Apr 06		
IMAX Corporation	03 Apr 07	16 Apr 07	16 Apr 07		
Outlook Resources Inc.	08 Aug 07	21 Aug 07			
VVC Exploration Corporation	04 Jun 07	15 Jun 07	15 Jun 07		

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## Chapter 7

# Insider Reporting

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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](http://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](http://www.sedi.ca)).

## Chapter 8

# Notice of Exempt Financings

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### REPORTS OF TRADES SUBMITTED ON FORMS 45-106F1 AND 45-501F1

Transaction Date	# of Purchasers	Issuer/Security	Total Pur. Price (\$)	# of Securities Distributed
07/17/2007	5	2134889 Ontario Inc. - Common Shares	125,000.00	625,000.00
06/01/2007	2	3i Group plc - Bonds	5,700,400.00	40,000.00
06/04/2007	1	Abode Mortgage Holdings Corp. - Warrants	0.00	10,000,000.00
07/03/2007	2	ActivBiotics (Ontario) Inc. - Debentures	694,148.00	1.00
07/18/2007	1	Airesurf Networks Holdings Inc. - Common Shares	62,400.35	1,248,007.00
07/13/2007	3	Alegro Health Corp. - Units	1,250,000.00	6,250,000.00
07/16/2007	142	Allied Nevada Gold Corp. - Units	16,998,089.00	3,696,000.00
11/21/2006	1	Allot Communications Ltd. - Common Shares	2,065,320.00	150,000.00
07/06/2007	2	Altima Resources Ltd. - Flow-Through Shares	750,000.00	3,000,000.00
07/09/2007	11	AMADOR GOLD CORP. - Common Shares	196,050.00	1,010,000.00
07/11/2007	8	AMG Advanced Metallurgical Group N.V. - Common Shares	27,869,533.69	801,200.00
07/09/2007	1	Anderson Gold Corporation - Debentures	2,700,202.79	N/A
06/08/2007	64	Anderson Gold Corporation - Units	1,329,000.00	N/A
07/03/2007	19	Angels Gate Winery Limited - Common Shares	5,100,000.00	408,000.00
06/30/2007	52	Annapolis Investment Limited Partnership IV - Limited Partnership Units	16,025,000.00	160,250.00
07/01/2007	1	Aquifer Opportunity Fund L.P. - Limited Partnership Interest	531,915.00	N/A
07/05/2007	40	Ascot Resources Ltd. - Non-Flow Through Units	4,820,000.00	2,080,000.00
06/25/2007	92	ATI AirTest Technologies Inc. - Units	863,200.00	17,264,000.00
06/29/2007	20	Aurea Mining Inc. - Units	2,363,800.00	7,812,666.00
07/02/2007	2	AuthenTech, Inc. - Common Shares	3,801,655.00	325,000.00
07/17/2007	128	Aveiro Investment Corp. - Common Shares	4,500,000.00	3,000,000.00
07/13/2007	84	Bandera Gold Ltd. - Units	2,484,000.00	2,484,000.00
03/24/2006 to 06/29/2007	47	Barlow Partners Growth Portfolio - Units	21,699,887.51	N/A
03/31/2007	64	Barlow Partners Income and Growth Fund - Units	10,020,953.74	N/A
07/13/2007	88	Bearclaw Capital Corp. - Common Shares	2,202,690.84	N/A



**Notice of Exempt Financings**

<b>Transaction Date</b>	<b># of Purchasers</b>	<b>Issuer/Security</b>	<b>Total Pur. Price (\$)</b>	<b># of Securities Distributed</b>
07/11/2007	247	Bonaventure Enterprises Inc. - Units	2,863,500.00	14,317,500.00
06/30/2007	2	Brant Capital Limited Partnership 1 - Limited Partnership Units	100,000.00	20.00
07/06/2007	109	Bronco Energy Ltd. - Common Shares	30,510,000.00	2,700,000.00
04/24/2007	6	Brookfield Junior Bridge Lending Fund II L.P. - Limited Partnership Interest	410,000,000.00	N/A
07/05/2007	9	BTI Photonics Systems Inc. - Notes	2,310,817.74	N/A
07/11/2007	2	Bullion Management Group Inc. - Common Shares	60,000.00	80,000.00
07/03/2007	9	Callisto Capital III, L.P. - Limited Partnership Interest	173,400,000.00	173,400,000.00
06/29/2007	7	Camden Park Capital LP - Notes	3,900,000.00	390.00
07/12/2007	5	Canadian Oil Recovery & Remediation Enterprises Inc. - Debentures	1,000,000.00	1,000.00
07/12/2007 to 07/17/2007	15	Cancor Mines Inc. - Units	1,400,000.00	5,600,000.00
07/17/2007	1	Cardtronics, Inc. - Notes	3,130,800.00	3,000.00
07/05/2007 to 07/13/2007	21	CareVest Blended Mortgage Investment Corporation - Preferred Shares	4,493,542.00	4,493,542.00
07/05/2007	27	CareVest First Mortgage Investment Corporation - Preferred Shares	1,300,877.00	1,300,877.00
07/05/2007	8	CareVest Second Mortgage Investment Corporation - Preferred Shares	436,034.00	436,034.00
05/22/2007	2	Cargill, Incorporated - Bonds	29,228,000.00	400.00
07/24/2007	47	Claim Post Resources Inc. - Common Shares	181,700.00	222,000.00
07/03/2007	5	Clifton Star Resources Inc. - Common Shares	1,499,998.50	1,999,998.00
07/05/2007 to 07/14/2007	10	CMC Markets Canada Inc. - Contracts for Differences	96,000.00	10.00
06/29/2007	18	Colt Capital Corp. - Debentures	1,465,000.00	1,465,000.00
06/26/2007	23	Commerce Resources Corp. - Units	4,525,204.00	3,781,003.00
07/06/2007	49	Constantine Metal Resources Ltd. - Units	1,190,000.00	3,400,000.00
07/08/2007	15	Cooper Pacific II Mortgage Investment Corporation - Common Shares	785,986.00	785,986.00
07/25/2007	4	Darnley Bay Resources Limited - Common Shares	101,000.00	183,636.00
05/12/2007	168	Deal Capital Ltd - Receipts	6,200,000.00	6,500,000.00
07/13/2007	29	Dexit Inc. - Warrants	4,020,000.00	7,500,000.00
01/24/2007	1	DnB NOR Bank ASA - Bonds	2,326,100.00	1,000.00
07/11/2007	53	Domainer Inc. - Common Shares	2,000,000.00	2,000,000.00

**Notice of Exempt Financings**

<b>Transaction Date</b>	<b># of Purchasers</b>	<b>Issuer/Security</b>	<b>Total Pur. Price (\$)</b>	<b># of Securities Distributed</b>
07/13/2007	26	Duncan Park Holdings Corporation - Units	1,314,200.10	4,380,667.00
07/15/2007	59	Elite FX Limited Partnership - Units	1,707,432.00	1,707,432.00
04/03/2007	1	Elm BV - Bonds	1,546,600.00	120.00
07/11/2007	22	Enermad Corp. - Common Shares	864,700.00	1,729,400.00
07/09/2007	96	Enhanced Oil Resources Inc. - Units	3,537,968.00	2,853,200.00
07/13/2007	3	Epic No. 1 Limited Partnership - Limited Partnership Interest	5,672,125.61	N/A
07/12/2007	1	Excalibur Limited Partnership - Limited Partnership Units	106,177.64	0.36
07/17/2007	1	Excalibur Limited Partnership - Limited Partnership Units	436,771.65	1.47
07/12/2007	1	Excalibur Limited Partnership II - Limited Partnership Units	250,000.00	3.23
07/17/2007	1	Excalibur Limited Partnership II - Limited Partnership Units	75,777.00	0.98
07/05/2007	1	Explor Resources inc. - Common Shares	53,000.00	200,000.00
07/17/2007	1	Explor Resources inc. - Common Shares	168,000.00	600,000.00
06/05/2007	1	Fiat Financing North America - Bonds	7,172,500.00	5,000.00
06/05/2007	1	First Leaside Properties Limited Partnership - Notes	4,238.57	4,010.00
06/29/2007 to 07/06/2007	2	First Leaside Properties Limited Partnership - Notes	140,000.00	140,000.00
07/17/2007	13	First Point Minerals Corp. - Flow-Through Shares	202,680.00	1,350,000.00
06/22/2007	30	Firstgold Corp. - Units	9,597,404.73	18,843,421.00
07/01/2007	1	Flatiron Market Neutral LP - Limited Partnership Units	400,000.00	358.53
11/15/2006	1	Fletcher Nickel Inc. - Flow-Through Units	60,000.00	15,000.00
02/06/2007	7	Fletcher Nickel Inc. - Units	700,000.00	700,000.00
11/15/2006	1	Fletcher Nickel Inc. - Units	22,500.00	50,000.00
08/28/2006	1	Fletcher Nickel Inc. - Warrants	25,000.00	625,000.00
06/21/2007	6	Fortsum Business Solutions Inc. - Units	3,500,000.45	6,363,639.00
03/26/2007	1	GAZ Prom - Notes	11,627,000.00	10,000.00
07/09/2007 to 07/13/2007	22	General Motors Acceptance Corporation of Canada, Limited - Notes	12,686,768.74	12,686,768.74
07/16/2007 to 07/20/2007	28	General Motors Acceptance Corporation of Canada, Limited - Notes	15,731,244.65	15,731,244.65
07/05/2007	54	Gleichen Resources Ltd - Units	4,500,000.00	10,000,000.00

**Notice of Exempt Financings**

<b>Transaction Date</b>	<b># of Purchasers</b>	<b>Issuer/Security</b>	<b>Total Pur. Price (\$)</b>	<b># of Securities Distributed</b>
06/28/2007 to 07/06/2007	8	Global Trader Europe Limited - Contracts for Differences	40,999.20	26,589.00
07/09/2007 to 07/17/2007	9	Global Trader Europe Limited - Special Trust Securities	35,937.50	23,023.00
06/29/2007 to 07/06/2007	18	Goldcliff Resource Corporation - Flow-Through Shares	1,509,700.27	4,869,998.00
06/28/2007	4	Grandcru Resources Corporation - Common Shares	10,000.00	40,000.00
07/06/2007	66	Grandview Gold Inc. - Units	3,485,600.00	8,714,000.00
07/16/2007	30	Greystar Resources Ltd. - Common Shares	39,600,000.00	6,000,000.00
07/12/2007	3	Gridpoint Systems Inc. - Preferred Shares	9,305,777.00	8,888,888.00
07/05/2007	2	High Fidelity HDTV Inc. - Debentures	4,000,001.00	N/A
06/25/2007	16	Horizon Industries Limited - Units	756,250.00	3,025,000.00
06/29/2007	160	Icuiti Corporation - Common Shares	4,436,490.00	2,609,700.00
03/07/2007	4	Idelix Software Inc. - Notes	52,500.00	N/A
07/12/2007	63	Immersive Media Corp. - Common Shares	19,962,600.00	4,116,000.00
04/27/2007	30	Industrial Minerals Inc - Common Shares	533,333.20	3,333,333.00
06/30/2007	1	Industrial Minerals Inc. - Common Shares	53,600.00	335,000.00
07/09/2007	16	innerVision Medical Technologies Inc. - Common Shares	925,000.00	740,000.00
06/26/2007	42	International Montoro Resources Inc. - Common Shares	412,950.20	458,778.00
11/09/2006	1	iStar Financial Inc. - Common Shares	3,768,705.00	75,000.00
07/13/2007	1	Javelin Re Ltd. - Notes	3,171,900.00	N/A
06/29/2007	12	Kilmer Brownfield Equity Fund L.P. - Limited Partnership Interest	55,250,000.00	55,250.00
07/15/2007	3	Kingwest Avenue Portfolio - Units	272,818.96	7,454.80
07/12/2007	2	Limited Partnership Land Pool 2007 - Limited Partnership Units	5,306,007.00	5,434,701.00
07/16/2007	33	Longbow Capital Limited Partnership #15 - Units	3,312,000.00	3,312.00
06/29/2007 to 07/13/2007	50	Luxell Technologies Inc. - Common Shares	1,200,000.00	10,000,000.00
07/09/2007 to 07/23/2007	81	Lynden Ventures Ltd. - Units	15,217,562.00	N/A
06/28/2007	6	Macquarie Infrastructure Company LLC - Common Shares	19,539,318.15	450,000.00
07/03/2007	2	Magenta Mortgage Investment Corporation - Common Shares	152,000.00	152,000.00

**Notice of Exempt Financings**

<b>Transaction Date</b>	<b># of Purchasers</b>	<b>Issuer/Security</b>	<b>Total Pur. Price (\$)</b>	<b># of Securities Distributed</b>
06/29/2007	59	Magna Vista North American Equity Fund - Common Shares	22,149.84	N/A
07/03/2007	1	Maiden Holdings Ltd. - Common Shares	19,239.00	N/A
07/12/2007	1	Mantis Mineral Corp. - Common Shares	5,969.00	119,380.00
07/27/2007	354	March Resources Corp. - Units	18,000,000.00	30,000,000.00
06/28/2007	3	MatlinPatterson Global Opportunities Partners III L.P. - Limited Partnership Interest	53,135,000.00	N/A
07/09/2007	56	Menika Mining Ltd. - Common Shares	1,159,540.00	4,677,000.00
07/01/2007	1	Meridian Diversified ERISA Fund, Ltd. - Units	3,870,906.00	36,386.53
07/05/2007	1	Merna Reinsurance Ltd. - Notes	52,830,000.00	50,000,000.00
07/01/2007	2	Mesirow Absolute Return Fund (Institutional) Ltd. - Common Shares	19,500,000.00	19,500.00
07/05/2007	1	Metals USA Holdings Corp. - Notes	2,084,488.00	1,000.00
07/26/2007	1	Mont Gele Re - Notes	63,030,000.00	1.00
07/05/2007 to 07/13/2007	1	Mountainview Asset Management Ltd. - Debentures	250,000.00	1.00
06/16/2007 to 07/16/2007	27	Nelson Financial Group Ltd. - Notes	3,061,808.13	27.00
06/22/2007	79	Nevada Sunrise Gold Corp. - Common Shares	1,755,000.00	7,020,000.00
07/03/2007	2	New Solutions Financial (II) Corporation - Debentures	550,000.00	2.00
07/12/2007	3	NFX Gold Inc. - Flow-Through Shares	250,000.00	1,000,000.00
06/29/2007 to 07/06/2007	9	Nicola Financial Strategic Income Fund - Trust Units	1,880,000.00	173,852.44
07/05/2007	56	OPTI Canada Inc. - Notes	855,724,491.00	N/A
07/05/2007	64	Orca Exploration Group Inc. - Common Shares	34,500,000.00	2,500,000.00
06/28/2007	8	Origin Biomed Inc. - Preferred Shares	3,850,000.00	3,170,093.00
07/10/2007	8	Outlook Resources Inc. - Units	196,980.00	3,283,000.00
06/19/2007	2	Oxford Investments Holdings Inc. - Common Shares	23,000.00	76,666.00
07/10/2007	11	Pacific Coast Nickel Corp. - Common Shares	2,442,800.00	4,200,000.00
07/10/2007	1	PAETEC Holdings Corp. - Trust certificates	1,052,000.00	N/A
07/13/2007	6	Pan Orient Energy Corp. - Common Shares	6,375,000.00	1,500,000.00
07/16/2007	30	Pavilion Energy Corp. - Common Shares	1,188,300.00	1,398,000.00
07/03/2007	3	Payfair Mining Ltd - Common Shares	1,250,000.00	2,083,332.00
06/14/2007	21	Pemberton Energy Ltd. - Units	420,000.00	1,050,000.00

**Notice of Exempt Financings**

<b>Transaction Date</b>	<b># of Purchasers</b>	<b>Issuer/Security</b>	<b>Total Pur. Price (\$)</b>	<b># of Securities Distributed</b>
07/09/2007	2	Pencari Mining Corporation - Units	1,100,000.00	2,000,000.00
07/25/2007	2	Perfect World Co; Ltd. - Common Shares	765,881.60	46,000.00
07/16/2007	8	Petroworth Resources Inc. - Units	2,223,550.00	N/A
07/06/2007	6	Plasco Energy Group Inc. - Common Shares	3,369,983.50	518,459.00
07/04/2007	4	Powercomm Inc. - Warrants	0.00	36,414.00
06/04/2007	21	Prestigious Properties Four Limited Partnership - Limited Partnership Units	1,275,500.00	747.00
05/07/2007	28	Prestigious Properties Four Limited Partnership - Limited Partnership Units	1,994,000.00	468.00
07/13/2007	3	Randsburg International Gold Corp. - Flow-Through Shares	500,000.00	500,000.00
05/11/2007	1	Raspadskaya OJSC - Bonds	11,135,000.00	10,000.00
07/11/2007	22	Rhone 2007 Oil & Gas Strategic Limited Partnership - Limited Partnership Units	2,062,000.00	82,480.00
07/10/2007	57	Richards Oil & Gas Limited - Receipts	10,000,000.00	N/A
07/05/2007	113	Rimfire Minerals Corporation - Units	6,500,000.00	2,500,000.00
06/26/2007	51	Robusite Ventures Limited - Units	20,958,000.00	20,000,000.00
07/13/2007	5	Roxmark Mines Limited - Units	1,000,000.00	5,000,000.00
05/02/2007	1	Rubrika Finance Company - Bonds	11,135,000.00	100.00
07/11/2007	36	Sage Gold Inc. - Flow-Through Shares	1,050,600.00	N/A
07/09/2007	1	Sedex Mining Corp. - Common Shares	9,500.00	100,000.00
07/06/2007	1	Sextant Strategic Opportunities Hedge Fund LP - Units	95,622.00	4,000.00
07/13/2007	1	Sextant Strategic Opportunities Hedge Fund LP - Units	500,000.00	20,787.40
07/10/2007	4	Shoreham Resources Ltd. - Units	300,000.00	666,666.00
07/10/2007	5	Silvermet Inc. - Flow-Through Shares	354,000.00	885,000.00
07/19/2007	11	Silvermet Inc. - Flow-Through Shares	270,000.00	N/A
06/29/2007	61	Skeena Resources Limited - Common Shares	3,032,800.00	N/A
07/09/2007 to 07/19/2007	34	Skyline Gold Corporation - Common Shares	1,355,000.00	6,775,000.00
07/04/2007	25	Staccato Gold Resources Ltd. - Units	6,089,445.60	17,398,416.00
07/12/2007	56	Strongbow Exploration Inc. - Units	4,003,500.00	4,710,000,000.00
05/22/2007	1	Suncorp-Metway Ltd. - Bonds	4,291,600.00	2,000.00
07/25/2007	1	Sunpower Corporation - Common Shares	503,390.25	7,500.00

**Notice of Exempt Financings**

<b>Transaction Date</b>	<b># of Purchasers</b>	<b>Issuer/Security</b>	<b>Total Pur. Price (\$)</b>	<b># of Securities Distributed</b>
06/14/2007	17	Tantalus Systems Corp. - Warrants	22,300,499.50	4,228,714.00
07/18/2007	6	TD Capital Global Private Equity Investors (Canada) III, LP - Limited Partnership Units	83,496,000.00	8,000.00
07/20/2007	1	Temex Resource Corp. - Common Shares	15,900.00	30,000.00
06/25/2007 to 06/26/2007	21	The Cambrian House Inc. - Common Shares	828,521.14	N/A
07/01/2007	1	The GS+A RRSP Fund (2007) - Trust Units	100.00	1.00
06/15/2007	1	The Rosseau Resort Developments Inc. - Units	1,709,800.00	2.00
07/05/2007	4	The Succession Fund L.P. - Limited Partnership Units	1,000,000.00	1,000.00
07/05/2007	26	Torrential Energy Ltd. - Common Shares	400,000.00	1,000,000.00
05/29/2007	1	TPG Credit Strategies Fund L.P. - Limited Partnership Interest	53,070,000.00	1.00
07/11/2007	8	Transition Therapeutics Inc. - Common Shares	24,999,940.80	1,736,107.00
07/11/2007	14	Tres-or Resources Ltd. - Non-Flow Through Units	1,268,100.00	N/A
07/04/2007	12	Tribune Uranium Corp - Flow-Through Shares	1,200,000.00	1,000,000.00
07/04/2007	32	Tribune Uranium Corp. - Non-Flow Through Units	2,200,360.00	2,000,000.00
07/09/2007	6	TrueContext Corporation - Units	282,933.00	N/A
07/05/2007	1	TTi Turner Technology Instruments Inc. - Common Shares	6,500.00	6,566.00
07/17/2007	45	Twin Butte Energy Ltd. - Common Shares	16,650,000.00	5,550,000.00
06/28/2007	1	UBS AG-3 EUR 1810% "Worst-Of" Goal on Shares of Rio Tinto plc, Companhia Vale do Rio Doce (ADR) and Xstrata plc - Cash Settled - Units	5,000,000.00	5,000,000.00
07/10/2006 to 07/18/2006	2	UBS (CH) Equity Fund Emerging Markets - Units	24,513.28	11.00
07/10/2007	36	Unitech Energy Resources Inc. - Units	614,829.94	N/A
07/16/2007	5	Uranium Bay Resources Inc. - Common Shares	492,500.00	2,462,500.00
07/13/2007	3	Voice Enabling Systems Technology Inc. - Units	49,364.00	N/A
07/12/2007	47	Walton TX Wagner Fields Limited Partnership - Units	1,342,565.50	133,159.00
06/29/2007	2	Western Areas NL - Bonds	201,962,411.00	N/A
07/10/2007	289	Western Financial Group Inc. - Preferred Shares	25,004,000.00	250,000.00
06/25/2007	30	Wyn Developments Inc. - Units	696,400.00	3,482,000.00
07/05/2007	1	X-Ore Resources Inc. - Units	399,999.90	2,666,666.00
07/19/2007	21	X-Ore Resources Inc. - Units	1,299,999.90	8,666,666.00
07/05/2007	1	XDM Resources Inc. - Warrants	830,000.00	1,000,000.00

**Notice of Exempt Financings**

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<b>Transaction Date</b>	<b># of Purchasers</b>	<b>Issuer/Security</b>	<b>Total Pur. Price (\$)</b>	<b># of Securities Distributed</b>
07/10/2007	31	Yankee Hat Minerals Ltd. - Units	800,000.00	8,000,000.00
02/20/2006	37	Zacoro Metals Corp. - Common Shares	0.00	5,807,500.00
12/15/2006	126	Zacoro Metals Corp. - Special Warrants	10,477,000.00	20,954,000.00
07/12/2007	30	Zappa Resources Ltd. - Units	750,000.00	3,750,000.00
07/05/2007	26	Zazu Metals Corporation - Warrants	1,518,304.51	821,500.00
07/06/2007	4	Zelos Therapeutics Inc. - Common Shares	3,673,726.00	1,049,636.00

## Chapter 11

# IPOs, New Issues and Secondary Financings

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**Issuer Name:**

Berkeley Capital Corp. II  
Principal Regulator - Ontario

**Type and Date:**

Preliminary CPC Prospectus dated August 3, 2007  
Mutual Reliance Review System Receipt dated August 3, 2007

**Offering Price and Description:**

\$500,000.00 -5,000,000 Common Shares  
PRICE: \$0.10 per Common Share

**Underwriter(s) or Distributor(s):**

Canaccord Capital Corporation

**Promoter(s):**

Anthony Lacavera  
Michael R. Drake  
Kevin K. Rooney

**Project #1136730**

**Issuer Name:**

Northern Precious Metals 2007-II Limited Partnership  
Principal Regulator - Quebec

**Type and Date:**

Preliminary Prospectus dated August 2, 2007  
Mutual Reliance Review System Receipt dated August 3, 2007

**Offering Price and Description:**

\$1,200,000.00 to \$15,000,000 -1,200 to 15000 Limited Partnership Units

Price: \$1,000 per Unit. Minimum Subscription: \$5,000.

**Underwriter(s) or Distributor(s):**

Secutor Capital Management Corporation

**Promoter(s):**

Northern Precious Metals 2007-11 Inc.

**Project #1136663**

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**Issuer Name:**

Blandings Capital Limited  
Principal Regulator - Alberta

**Type and Date:**

Preliminary CPC Prospectus dated July 31, 2007  
Mutual Reliance Review System Receipt dated August 2, 2007

**Offering Price and Description:**

\$875,000.00 - 8750,000 Common Shares  
Price: \$0.10 per Common Share

**Underwriter(s) or Distributor(s):**

Canaccord Capital Corporation

**Promoter(s):**

Greg Hansen

**Project #1128192**

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**Issuer Name:**

OTTERBURN VENTURES INC  
Principal Regulator - British Columbia

**Type and Date:**

Preliminary Prospectus dated July 31, 2007  
Mutual Reliance Review System Receipt dated August 2, 2007

**Offering Price and Description:**

\$500,000.00 - 2,500,000 Common Shares  
Price: \$0.20 per Common Share

**Underwriter(s) or Distributor(s):**

Wolverton Securities Ltd.

**Promoter(s):**

David Eaton

**Project #1136211**

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**Issuer Name:**

North American Palladium Ltd.

**Type and Date:**

Preliminary Short Form Shelf Prospectus dated August 3, 2007

Received on August 7, 2007

**Offering Price and Description:**

49,378 Common Shares

**Underwriter(s) or Distributor(s):**

-

**Promoter(s):**

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**Project #1137222**

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**Issuer Name:**

Rebecca Capital Inc.  
Principal Regulator - Ontario

**Type and Date:**

Preliminary CPC Prospectus dated August 3, 2007  
Mutual Reliance Review System Receipt dated August 3, 2007

**Offering Price and Description:**

Minimum Offering: \$600,000.00 or 3,000,000 Common Shares

Maximum Offering: \$1,000,000 or 5,000,000 Common Shares

Price: \$0.20 per Common Share

**Underwriter(s) or Distributor(s):**

Canaccord Capital Corporation

**Promoter(s):**

David Beutel

**Project #1136839**



**Issuer Name:**

Sarbit Canadian Equity Trust  
Sarbit Global Balanced Trust  
Sarbit Global Equity Trust  
Sarbit US Equity Trust  
Principal Regulator - Manitoba

**Type and Date:**

Preliminary Simplified Prospectuses dated July 27, 2007  
Mutual Reliance Review System Receipt dated August 1, 2007

**Offering Price and Description:**

Mutual Fund Units, Class F Units, Class I Units,  
Class T4 Units, Class T6 Units, Class T8 Units, Class F4  
Units, Class F6  
Units and Class F8 Units

**Underwriter(s) or Distributor(s):**

-

**Promoter(s):**

Sarbit Asset Management Inc.  
Project #1134759

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**Issuer Name:**

TELUS Corporation  
Principal Regulator - British Columbia

**Type and Date:**

Preliminary Short Form Shelf Prospectus dated August 3, 2007  
Mutual Reliance Review System Receipt dated August 3, 2007

**Offering Price and Description:**

\$3,000,000,000.00  
Debt Securities  
Preferred Shares  
Non-Voting Shares  
Common Shares  
Warrants to Purchase Equity Securities  
Warrants to Purchase Debt Securities  
Share Purchase Contracts  
Share Purchase or Equity Units

**Underwriter(s) or Distributor(s):**

-

**Promoter(s):**

-

Project #1136794

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**Issuer Name:**

Vertex Managed Value Portfolio  
Principal Regulator - British Columbia

**Type and Date:**

Preliminary Simplified Prospectus dated July 31, 2007  
Mutual Reliance Review System Receipt dated August 1, 2007

**Offering Price and Description:**

Initial Offering of Class B and Class F Units

**Underwriter(s) or Distributor(s):**

-

**Promoter(s):**

Vertex One Asset Management Inc.  
Project #1135294

**Issuer Name:**

AGF Canadian Balanced Fund  
AGF Canadian Large Cap Dividend Fund  
AGF Canadian Real Value Balanced Fund  
AGF Canadian Stock Fund  
AGF International Value Fund  
AGF World Balanced Fund  
Principal Regulator - Ontario

**Type and Date:**

Amendment #3 dated July 25, 2007 to Final Simplified  
Prospectuses and Annual Information Forms dated April  
20, 2007  
Mutual Reliance Review System Receipt dated August 1,  
2007

**Offering Price and Description:**

Series V and Series T Securities @ Net Asset Value

**Underwriter(s) or Distributor(s):**

AGF Funds Inc.

**Promoter(s):**

-

Project #1066188

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**Issuer Name:**

Burgundy American Equity Fund  
Burgundy Balanced Income Fund  
Burgundy Bond Fund  
Burgundy Canadian Equity Fund  
Burgundy Compound Reinvestment Fund  
Burgundy EAFE Fund  
Burgundy European Equity Fund  
Burgundy European Foundation Fund  
Burgundy Focus Canadian Equity Fund  
Burgundy Focus Equity RSP Fund  
Burgundy Focus Japanese Equity Fund  
Burgundy Foundation Trust Fund  
Burgundy Money Market Fund  
Burgundy Partners Equity RSP Fund  
Burgundy Partners' Balanced RSP Fund  
Burgundy Partners' Global Fund  
Burgundy Total Return Bond Fund  
Burgundy U.S. Money Market Fund

**Type and Date:**

Final Simplified Prospectuses dated July 31, 2007  
Received on August 3, 2007

**Offering Price and Description:**

Mutual Fund Units @ Net Asset Value

**Underwriter(s) or Distributor(s):**

Burgundy Asset Management Ltd.

**Promoter(s):**

-

Project #1121998

**Issuer Name:**

Charter Real Estate Investment Trust  
Principal Regulator - Ontario

**Type and Date:**

Final Short Form Prospectus dated August 3, 2007  
Mutual Reliance Review System Receipt dated August 3, 2007

**Offering Price and Description:**

\$46,143,750.00 - 13,375,000 Units  
Price: \$3.45 per Offered Unit

**Underwriter(s) or Distributor(s):**

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

**Promoter(s):**

-

**Project #1124518**

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**Issuer Name:**

Citigroup Finance Canada Inc.  
Principal Regulator - Ontario

**Type and Date:**

Final Shelf Prospectus dated July 31, 2007  
Mutual Reliance Review System Receipt dated August 1, 2007

**Offering Price and Description:**

\$10,000,000,000.00 - Medium Term Notes  
(unsecured)

**Underwriter(s) or Distributor(s):**

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

**Promoter(s):**

-

**Project #1130267**

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**Issuer Name:**

Cumberland Capital Appreciation Fund  
Principal Regulator - Ontario

**Type and Date:**

Final Simplified Prospectus dated August 1, 2007  
Mutual Reliance Review System Receipt dated August 2, 2007

**Offering Price and Description:**

Mutual Fund Units @ Net Asset Value

**Underwriter(s) or Distributor(s):**

Cumberland Asset Management Corp.

**Promoter(s):**

Cumberland Investment Management Inc.

**Project #1121327**

**Issuer Name:**

DPF India Opportunities Fund  
Principal Regulator - Ontario

**Type and Date:**

Final Prospectus dated August 2, 2007  
Mutual Reliance Review System Receipt dated August 2, 2007

**Offering Price and Description:**

Maximum \$250,000,000.00 (25 million Units)  
(Each Unit consisting of a Trust Unit and a Warrant for one Trust Unit)

**Underwriter(s) or Distributor(s):**

GMP Securities L.P.  
Dundee Securities Corporation  
BMO Nesbitt Burns Inc.  
Canaccord Capital Corporation  
CIBC World Markets Inc.  
TD Securities Inc.  
RBC Dominion Securities Inc.

**Promoter(s):**

Goodman & Company, Investment Counsel Ltd.

**Project #1126667**

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**Issuer Name:**

FRIEDBERG FOREIGN BOND FUND  
Principal Regulator - Ontario

**Type and Date:**

Final Simplified Prospectus dated July 31, 2007  
Mutual Reliance Review System Receipt dated August 2, 2007

**Offering Price and Description:**

Mutual Fund Units @ Net Asset Value

**Underwriter(s) or Distributor(s):**

Friedberg Mercantile Group Ltd.

**Promoter(s):**

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**Project #1122258**

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**Issuer Name:**

Futures Index Fund  
Principal Regulator - Ontario

**Type and Date:**

Final Prospectus dated July 31, 2007  
Mutual Reliance Review System Receipt dated August 1, 2007

**Offering Price and Description:**

Class O, I, P, F, R Units @ Net Asset Value

**Underwriter(s) or Distributor(s):**

-

**Promoter(s):**

SEI Investments Canada Company

**Project #1124501**

**Issuer Name:**

Keystone Newport ULC  
Keystone North America Inc.  
Principal Regulator - Ontario

**Type and Date:**

Final Short Form Prospectuses dated August 2, 2007  
Mutual Reliance Review System Receipt dated August 2, 2007

**Offering Price and Description:**

\$35,100,000.00 - 3,900,000 Income Participating Securities  
Price: \$9.00 per IPS

**Underwriter(s) or Distributor(s):**

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

**Promoter(s):**

-

**Project #**1132504/1132508

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**Issuer Name:**

Paramount Gold Mining Corp.

**Type and Date:**

Final Long Form Prospectus dated August 7, 2007  
Received on August 7, 2007

**Offering Price and Description:**

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**Underwriter(s) or Distributor(s):**

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**Promoter(s):**

-

**Project #**1125068

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**Issuer Name:**

Primaris Retail Real Estate Investment Trust  
Principal Regulator - Ontario

**Type and Date:**

Final Short Form Prospectus dated August 3, 2007  
Mutual Reliance Review System Receipt dated August 3, 2007

**Offering Price and Description:**

\$100,000,000.00 - 5.85% Convertible Unsecured  
Subordinated Debentures due August 1, 2014  
and \$60,016,100.00  
3,134,000 Units at a Price of \$19.15 per Unit

**Underwriter(s) or Distributor(s):**

RBC Dominion Securities Inc.  
CIBC World Markets Inc.  
BMO Nesbitt Burns Inc.  
National Bank Financial Inc.  
Scotia Capital Inc.  
Canaccord Capital Corporation  
TD Securities Inc.  
Blackmont Capital Inc.  
Raymond James Ltd.

**Promoter(s):**

-

**Project #**1133008

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## Chapter 12

# Registrations

### 12.1.1 Registrants

Type	Company	Category of Registration	Effective Date
Name Change	From: Man Financial Canada Co. To: MF Global Canada Co.	Investment Dealer & Futures Commission Merchant	July 19, 2007
New Registration	Ceresna, Patrick Daniel	Securities Adviser	August 1, 2007
New Registration	Connor, Clark & Lunn Wholesale Finance Inc.	Limited Market Dealer	August 1, 2007
New Registration	Lee, Turner & Associates Inc	Investment Counsel & Portfolio Manager	August 2, 2007
Consent to Suspension (Rule 33-501 - Surrender of Registration)	RSEG Trading Group Ltd	Investment Dealer	August 3, 2007

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