

THE SECURITIES ACT

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Order No. 4076

)

Section 20

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March 12, 2003

ONTREA INC.

WHEREAS:

(A) Ontrea Inc. (the "Applicant") has applied to The Manitoba Securities Commission (the "Commission") for an order pursuant to Subsection 20(1) of *The Securities Act*, R.S.M. 1988, c. S50 (the "Act"), exempting from the prospectus requirements of Section 37 of the Act certain trades by Ontrea Inc. (the "Ontrea"), and TD Securities Inc., BMO Nesbitt Burns Inc. and RBC Dominion Securities Inc. (collectively, the "Agents"), in connection with the offering of certain Series B Debentures Due 2013 of Ontrea (the "Series B Debentures") to Portfolio Managers (as defined below) acting as agent for Managed Accounts (as defined below).

(B) The Applicants have represented to the Commission that:

1. Ontario Teachers' Pension Plan Board ("OTPPB"), having over \$66.2 billion in assets as at December 31, 2002, is responsible for the retirement income of elementary, secondary and retired teachers and their families in the Province of Ontario ("Ontario");
2. OTPPB is the administrator of the Ontario Teachers' Pension Plan (the "Plan") and manager of the pension fund established thereunder;
3. Ontrea is a direct wholly owned subsidiary of OTPPB;
4. Ontrea proposes to offer and sell \$600,000,000 in principal amount of the Series B Debentures (the "Offering") to prospective investors in all Provinces of Canada;
5. the Series B Debentures will issue pursuant to a trust indenture (the "Trust Indenture") as the direct unsecured obligations of Ontrea;
6. the Series B Debentures will be unconditionally and irrevocably guaranteed (the "Series B Guarantee") by OTPPB as to the payment of principal, premium, if any, interest and certain other fees and expenses as specified in the Series B Guarantee and the Trust Indenture;
7. the Agents will act as agents for the offering and the sale of the Series B Debentures;

8. the Agents are appropriately registered to trade securities under the Act and with other relevant provincial securities regulatory authorities where such registrations are required by law;
9. the minimum aggregate acquisition cost of the Series B Debentures to each purchaser resident in Manitoba pursuant to the Offering will be \$97,000;
10. the Debentures will not be offered to individuals in Manitoba;
11. the Offering is being made pursuant to a confidential offering memorandum (the "Offering Memorandum");
12. the Series B Debentures will be offered for sale in all of the Provinces of Canada pursuant to statutory exemptions from the prospectus requirements of applicable securities legislation and, in Manitoba and certain other provinces, in reliance upon "sprinkling orders";
13. it is proposed that the Series B Debentures be offered and sold in Manitoba, inter alia, to certain persons or companies (individually, a "Portfolio Manager" and collectively, "Portfolio Managers") who are:
 14. registered under the Act as broker-dealers restricted to investment counsel or portfolio managers, or
 15. registered for trading in securities under the Act and exempt from registration as securities advisors pursuant to Subsection 18(c) of the Act;
 16. in each case purchasing as agent for certain third persons or companies ("Managed Accounts");
 17. each Portfolio Manager will be solely responsible for the management of its Managed Accounts, with full power, authority and discretion to buy, sell or otherwise effect transactions in securities as agents for its Managed Accounts;
 18. each Managed Account will, at the time of the purchase of the Series B Debentures, hold assets having an aggregate net asset value or an aggregate acquisition cost of not less than \$97,000;
 19. the aggregate acquisition cost of the Series B Debentures to all Managed Accounts managed by a Portfolio Manager will not be less than \$97,000; and
 20. under the Offering Memorandum, contractual rights of action for rescission and damages, to the same effect as those being offered to residents of Ontario, will be conferred in Manitoba upon Portfolio Managers and upon each beneficial purchaser for whom the Portfolio Manager is acting.

(C) In the opinion of the Commission it would not be prejudicial to the public interest to grant the order requested.

IT IS ORDERED:

1. THAT, pursuant to subsection 20(1) of the Act, trades in Series B Debentures in connection with the Offering, to a Portfolio Manager acting as agent for Managed Accounts, shall be exempt from Section 37 of the Act, provided that:

(a) each Portfolio Manager, at the time of the purchase of the Series B Debentures, has full power, authority and discretion to buy, sell or otherwise effect transactions in securities as agent for the Managed Accounts managed by it and the aggregate acquisition cost of the Series B Debentures to all Managed Accounts managed by each Portfolio Manager will not be less than \$97,000;

(b) each Managed Account will, at the time of purchase of the Series B Debentures, hold assets having an aggregate net asset value or aggregate acquisition cost of not less than \$97,000;

(c) at or before the closing of the Offering, the Portfolio Managers who purchase Series B Debentures will be provided with a copy of this order and Ontrea shall have received written confirmation from the Portfolio Managers, on behalf of their respective Managed Accounts, that they are aware of the limitations imposed by this order;

(d) each Portfolio Manager and each beneficial purchaser of Series B Debentures for whom a Portfolio Manager is acting shall receive the contractual rights of action for rescission and damages that are being conferred upon purchasers of Series B Debentures that are resident in Ontario, as set out in the Offering Memorandum; and

(e) within ten (10) days of the closing of the Offering, Ontrea or the Agents shall file or shall cause to be filed with the Commission a report in Form 8 of the Securities Regulation, in duplicate, in respect of each Managed Account, and in conjunction therewith Ontrea or the Agents shall pay the fee that would be payable on the filing of such report.

2. THAT the fee for this order shall be \$1,000.

BY ORDER OF THE COMMISSION.

Chair