

9. The Debentures will be offered for sale in all of the jurisdictions in 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";

10. It is proposed that the Debentures be offered and sold in Manitoba, *inter alia*, to certain persons or companies (individually, a "Portfolio Manager" and collectively, "Portfolio Managers") who are:

(a) registered under the Act as broker-dealers restricted to investment counsel or portfolio managers, or

(b) registered for trading in securities under the Act and exempt from registration as securities advisors pursuant to Subsection 18(c) of the Act; and

(c) in each case purchasing as agent for certain third persons or companies ("Managed Accounts");

11. Each such Managed Account, will at the time of the purchase of Debentures, hold assets having an aggregate net value or an aggregate acquisition cost of not less than \$97,000;

12. The aggregate acquisition cost of the Debentures to all Managed Accounts managed by a Portfolio manager will not be less than \$97,000;

13. 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;

14. The Portfolio Managers will be solely responsible for the management of the Managed Accounts, with full power, authority and discretion *inter alia*, to buy, sell or otherwise effect transactions in securities as agents for the Managed Accounts.

(C) The Commission is of the opinion that 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 the Debentures in Manitoba 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 purchase of the 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 Debentures acquired in respect of all Managed Accounts represented by each Portfolio Manager will not be less than \$97,000;
- (b) Each such Managed Account will, at the time of purchase of the Debentures, hold assets having an aggregate net value or an aggregate acquisition cost of not less than \$97,000;
- (c) On or before the closing of the Offering, the Portfolio Managers who purchase the Debentures shall have been provided with a copy of this Order and the Issuer shall have received written confirmation from the Portfolio Managers, on behalf of their respective Managed Accounts, that they are aware of the limitation imposed by this Order on dispositions of the Debentures by Managed Accounts; and
- (d) Each Portfolio Manager and each beneficial purchaser of the 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 the Debentures that are resident in Ontario, as set out in the Offering Memorandum;
- (e) Within ten (10) days of the closing of the Offering, the Issuer or the Agents shall file, or shall cause to be filed with the Commission a report prepared in accordance with Form 8 of the Regulations, in duplicate, in respect of each such Managed Account, and in conjunction therewith the Issuer or the Agents shall pay the fee which would be payable on the filing of such report.

2. THAT the fee for this order shall be \$1,000.00.

BY ORDER OF THE COMMISSION

Deputy Director - Legal