

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).

April 24, 2007

**IN THE MATTER OF
THE SECURITIES LEGISLATION OF
ALBERTA, SASKATCHEWAN, MANITOBA, ONTARIO,
QUÉBEC, NEW BRUNSWICK, NOVA SCOTIA AND
NEWFOUNDLAND AND LABRADOR**

AND

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

AND

**IN THE MATTER OF
NORCAST INCOME FUND**

MRRS DECISION DOCUMENT

Background

The local securities regulatory authority or regulator (the Decision Maker) in each of the Ontario, Alberta, Saskatchewan, Manitoba, Québec, New Brunswick, Nova Scotia and Newfoundland and Labrador (the Jurisdictions) has received an application from Norcast Income Fund (the Applicant) for a decision under the securities legislation of the Jurisdictions (the Legislation) that the Applicant not be a reporting issuer in 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 factual information below as provided by the Applicant.

1. The Applicant is an unincorporated, open-ended limited purpose trust governed by the laws of the Province of Ontario pursuant to an Amended and Restated Declaration of Trust dated June 15, 2005, as Amended (the Declaration of Trust).

2. Effective as of April 1, 2007, the registered and principal office of the Applicant is located at 90 Richmond Street East, Suite 400, Toronto, Ontario, M5C 1N8.

3. The authorized capital of the Applicant consists of an unlimited number of units (the Units) of which 7,702,500 were issued and outstanding as of March 27, 2007.

4. The Applicant is a reporting issuer under the Legislation in each of the Jurisdictions. On March 27, 2007 the Applicant filed a notice in British Columbia under BC Instrument 11-502 -- *Voluntary Surrender of Reporting Issuer Status* to voluntarily surrender its reporting issuer status in British Columbia.

5. An indirect wholly-owned subsidiary of Pala Investments Holdings Limited (Bidco) became the sole beneficial holder of all of the Applicant's issued and outstanding Units following the expiry on March 23, 2007 of the take-over bid by Bidco for all of the issued and outstanding Units of the Applicant not already owned by Bidco and its affiliates and the subsequent acquisition, also on March 23, 2007, of the remaining Units of the Applicant not then held by Bidco pursuant to the compulsory acquisition provisions set out in the Declaration of Trust.

6. The Units of the Applicant were de-listed from the Toronto Stock Exchange as of the close of markets on March 27, 2007.

7. No securities of the Applicant are traded on a marketplace as defined in National Instrument 21-101 -- **Marketplace Operation**.

8. The Applicant has no current intention to seek public financing by way of an offering of securities.

10. The Applicant is applying for relief to not be a reporting issuer in all of the jurisdictions in Canada in which it is currently a reporting issuer.

11. The Applicant is in default of its obligation as a reporting issuer under the Legislation to file audited annual financial statements, related management

discussion and analysis, officer's certificates and an annual information form within 90 days after the end of its financial year ended December 31, 2006.

12. Except as described in paragraph 11 above, the Applicant is not in default of any of its obligations as a reporting issuer under the Legislation.

13. Upon the grant of the relief requested herein, the Applicant will not be a reporting issuer in any jurisdiction in Canada.

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

"James Turner"
Vice-Chair
Ontario Securities Commission