

IN THE MATTER OF THE SECURITIES ACT,
R.S.N.S. 1989, C. 418, AS AMENDED (the “Act”)

- and -

IN THE MATTER OF
Portus Alternative Asset Management Inc. (the “Respondent”)

TEMPORARY ORDER
(SECTIONS 134 and 136A of the Act)

WHEREAS it appears to the Nova Scotia Securities Commission (the “Commission”) that:

1. the Respondent is a registered investment counsel/portfolio manager under the Act.
2. at present, the Respondent has opened managed client accounts for approximately 300 residents of Nova Scotia. The Respondent appears to be selling to all clients the same portfolio of securities which are held and or traded to mimic the performance of BancNote Trust mutual funds, non-prospectus cleared mutual funds which the Respondent and related corporate entities also manage.
3. at present the Respondent has approximately twenty five million dollars under management for Nova Scotia residents.
4. the Respondent appears to have contravened sections 30 and 31 of the General Securities Rules and has failed to date to take adequate steps to remedy these contraventions.

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

IT IS ORDERED pursuant to subsection 134(1)(a)(i) of the Act that the Respondent cease contravening and that the directors and senior officers of the Respondent cause the Respondent to cease contravening the provisions of sections 30 and 31 of the General Securities Rules.

IT IS FURTHER ORDERED pursuant to section 136A of the Act that the Respondent be prohibited, effective immediately, from opening any new client accounts.

IT IS FURTHER ORDERED pursuant to section 136A of the Act that the Respondent be prohibited, effective immediately, from accepting new funds or other assets for investment in respect to any existing client accounts.

IT IS FURTHER ORDERED that, pursuant to section 134(2) of the Act, this order shall take effect immediately and shall expire on the 17th day of February 2005, being the fifteenth day after its making unless extended by the Commission.

DATED at Halifax, Nova Scotia, this 2nd day of February 2005

NOVA SCOTIA SECURITIES COMMISSION

“H. Leslie O’Brien”

(Chairman)