

**IN THE MATTER OF THE SECURITIES ACT  
R.S.O. 1990 c. S.5, as amended**

**- and -**

**IN THE MATTER OF  
BIOVAIL CORPORATION, EUGENE N. MELNYK,  
BRIAN H. CROMBIE, JOHN R. MISZUK and KENNETH G. HOWLING**

**NOTICE OF HEARING**

**TAKE NOTICE** that the Commission will hold a hearing pursuant to sections 127 and 127.1 of the *Securities Act*, R.S.O. 1990, c. S.5 as amended (the “Act”) at the offices of the Ontario Securities Commission, 20 Queen Street West, 17<sup>th</sup> Floor, Tuesday, April 22, 2008 at 2:00 pm or as soon thereafter as the hearing can be held:

**TO CONSIDER** whether, pursuant to sections 127(1) and 127.1 of the Act, it is in the public interest for the Commission:

- (a) to make an order pursuant to section 127(1) clause 2 of the Act that trading in securities by Eugene N. Melnyk (“Melnyk”), Brian H. Crombie (“Crombie”), John R. Miszuk (“Miszuk”) and Kenneth G. Howling (“Howling”) cease permanently;
- (b) to make an order pursuant to section 127(1) clause 2.1 that acquisition of any securities by Melnyk, Crombie, Miszuk and Howling be prohibited;

- (c) to make an order pursuant to section 127(1) clause 3 of the Act that any or all exemptions contained in Ontario securities law do not apply to Biovail, Melnyk, Crombie, Miszuk and Howling;
- (d) to make an order pursuant to section 127(1) clause 4 of the Act that Biovail institute such changes as may be ordered by the Commission and submit to a review of its practices and procedures;
- (e) to make an order pursuant to section 127(1) clause 6 of the Act that Biovail, Melnyk, Crombie, Miszuk and Howling be reprimanded;
- (f) to make an order pursuant to section 127(1) clause 7 of the Act that Melnyk, Crombie, Miszuk and Howling resign all positions which they hold as an officer or director of any issuer;
- (g) to make an order pursuant to section 127(1) clause 8 of the Act that Melnyk, Crombie, Miszuk and Howling be prohibited from becoming or acting as an officer or director of any issuer;
- (h) to make an order pursuant to section 127(1) clause 9 of the Act that Biovail, Melnyk, Crombie, Miszuk and Howling each pay an administrative penalty of \$1 million for each failure by that Respondent to comply with Ontario securities law;
- (i) to make an order pursuant to section 127(1) clause 10 of the Act that Biovail disgorge to the Commission any amounts obtained as a result of non-compliance with Ontario securities law;

- (j) to make an order pursuant to section 127.1 of the Act that Biovail, Melnyk, Crombie, Miszuk and Howling pay the costs of Staff's investigation and the costs of, or related to, this proceeding, incurred by or on behalf of the Commission; and
- (k) to make such other order or orders as the Commission considers appropriate.

**BY REASON OF** the allegations set out in the Statement of Allegations dated March 24, 2008, and such additional allegations as counsel may advise and the Commission may permit;

**AND TAKE FURTHER NOTICE** that any party to the proceeding may be represented by counsel at the hearing;

**AND TAKE FURTHER NOTICE** that upon failure of any party to attend at the time and place aforesaid, the hearing may proceed in the absence of that party and such party is not entitled to any further notice of the proceeding.

**DATED** at Toronto this 24th day of March, 2008.

*"John Stevenson"*

---

John Stevenson  
Secretary to the Commission

**TO: BIOVAIL CORPORATION**  
c/o Larry P. Lowenstein  
Osler, Hoskin & Harcourt LLP  
1 First Canadian Place  
P.O. Box 50, Stn. 1st Can. Place  
Toronto, ON, M5X 1B8

Tel: (416) 862-6454  
Fax: (416) 862-6666  
Email: llowenstein@osler.com

**AND TO: EUGENE N. MELNYK**  
c/o Kent Thomson  
Davies Ward Phillips & Vineberg LLP  
44th Floor  
1 First Canadian Place  
Toronto ON M5X 1B1

Tel: (416) 863 5566  
Fax: (416) 863 0871  
Email: kentthomson@dwpv.com

**AND TO: BRIAN H. CROMBIE**  
c/o Paul Le Vay  
Stockwoods LLP  
The Sun Life Tower  
2512-150 King St. W.  
Toronto, ON M5H 1J9

Tel: (416) 593-2493  
Fax: (416) 593-9345  
Email: paullv@stockwoods.ca

**AND TO: JOHN R. MISZUK**  
c/o Wendy Berman  
Heenan Blaikie LLP  
2600-200 Bay Street  
South Tower  
Royal Bank Tower  
Toronto, ON M5J 2J4

Tel: (416) 360-3548  
Fax: (416) 360-8425  
Email: wberman@heenan.ca

**AND TO: KENNETH G. HOWLING**  
c/o Joel Wiesenfeld  
Torys LLP  
Suite 3000  
79 Wellington St. W., TD Centre  
PO Box 270, Stn., Toronto Dom.  
Toronto, ON, M5K 1N2

Tel: (416) 865-8160  
Fax: (416) 865-7380  
Email: jwiesenfeld@torys.com