

The Ontario Securities Commission

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The Ontario Securities Commission

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Chapter 1

Notices

1.4 Notices from the Office of the Secretary

1.4.1 Goldenwise Capital Management Inc.

FOR IMMEDIATE RELEASE
July 23, 2020

GOLDENWISE CAPITAL MANAGEMENT INC.,
File No. 2020-22

TORONTO – The Commission issued an Order in the above named matter.

A copy of the Order dated July 23, 2020 and the Application dated July 22, 2020 are available at www.osc.gov.on.ca.

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1.4.2 Paramount Equity Financial Corporation et al.

FOR IMMEDIATE RELEASE
July 27, 2020

**PARAMOUNT EQUITY FINANCIAL CORPORATION,
SILVERFERN SECURED MORTGAGE FUND,
SILVERFERN SECURED MORTGAGE LIMITED
PARTNERSHIP,
GTA PRIVATE CAPITAL INCOME FUND,
GTA PRIVATE CAPITAL INCOME LIMITED
PARTNERSHIP,
SILVERFERN GP INC.,
TRILOGY MORTGAGE GROUP INC.,
MARC RUTTENBERG,
RONALD BRADLEY BURDON and
MATTHEW LAVERTY,**
File No. 2019-12

TORONTO – The Commission issued an Order in the above named matter.

A copy of the Order dated July 27, 2020 is available at www.osc.gov.on.ca.

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1.4.3 Canada Cannabis Corporation et al.

FOR IMMEDIATE RELEASE
July 28, 2020

**CANADA CANNABIS CORPORATION,
CANADIAN CANNABIS CORPORATION,
BENJAMIN WARD,
SILVIO SERRANO, and
PETER STRANG,
File No. 2020-13**

TORONTO – Take notice that the s. 144 Application hearing on July 29, 2020 is vacated.

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1.4.4 Canada Cannabis Corporation et al.

FOR IMMEDIATE RELEASE
July 28, 2020

**CANADA CANNABIS CORPORATION,
CANADIAN CANNABIS CORPORATION,
BENJAMIN WARD,
SILVIO SERRANO, and
PETER STRANG,
File No. 2019-34**

TORONTO – Take notice that the Motion hearing on July 29, 2020 is vacated.

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1.4.5 Joseph Debus

FOR IMMEDIATE RELEASE
July 28, 2020

JOSEPH DEBUS,
File No. 2019-16

TORONTO – The Commission issued an Order in the above named matter.

A copy of the Order dated July 28, 2020 is available at www.osc.gov.on.ca.

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Chapter 2

Decisions, Orders and Rulings

2.1 Decisions

2.1.1 HSBC Global Asset Management (Canada) Limited and HSBC Investment Funds (Canada) Inc.

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Relief granted from the requirement in s.3.2(2) of NI 81-101 to deliver a fund facts document to investors for purchases of mutual fund securities of certain series under automatic switching programs – High net worth series offering lower combined management and administration fees than the retail series, as applicable, based on the size of a fund investment – Investment fund manager initiating automatic switches between series on behalf of investors when their investments satisfy or cease to meet eligibility requirements of high net worth series – Automatic switches between series of a fund triggering a distribution of securities which requires delivery of a fund facts document – Relief granted from the requirement to deliver a fund facts document to investors for purchases of series securities made under automatic switching programs subject to compliance with certain notification and disclosure requirements in the simplified prospectus and fund facts document – Relief granted from the requirement to prepare a fund facts document for each series of securities of a mutual fund in accordance with the form requirements in Form 81-101F3 and the requirement that the fund facts document contain only information that is specifically required or permitted to be in Form 81-101F3 so that fund facts document delivered to investors in the automatic switching program will provide disclosure relating to the automatic switching program and both series, subject to certain conditions – National Instrument 81-101 Mutual Fund Prospectus Disclosure.

Applicable Legislative Provisions

National Instrument 81-101 Mutual Fund Prospectus Disclosure, ss. 2.1, 3.2.01(1), 6.1.

April 6, 2020

**IN THE MATTER OF
THE SECURITIES LEGISLATION OF
BRITISH COLUMBIA
AND
ONTARIO
(the Jurisdictions)**

AND

**IN THE MATTER OF
THE PROCESS FOR EXEMPTIVE RELIEF APPLICATIONS
IN MULTIPLE JURISDICTIONS**

AND

**IN THE MATTER OF
HSBC GLOBAL ASSET MANAGEMENT (CANADA) LIMITED
(HSBC GAM)**

AND

**IN THE MATTER OF
HSBC INVESTMENT FUNDS (CANADA) INC.
(the Representative Dealer, and together with HSBC GAM, the Filers)**

DECISION

Background

- ¶ 1 The securities regulatory authority or regulator in each of the Jurisdictions (Decision Maker) has received an application from HSBC GAM on behalf of the Funds (as defined below) and the Representative Dealer for a decision under the securities legislation of the Jurisdictions (the Legislation) for an exemption for:
- (a) each dealer (a Dealer) who trades in securities of the Funds from the requirement in subsection 3.2.01(1) of National Instrument 81-101 *Mutual Fund Prospectus Disclosure* (NI 81-101) to deliver or send the most recently filed fund facts document (a Fund Facts) in the manner required under the Legislation (the Fund Facts Delivery Requirement) in respect of the purchases of High Net Worth Series Securities (as defined below) or Retail Series Securities (as defined below) of the Funds that are made pursuant to the Switches (as defined below) (the Fund Facts Delivery Relief); and
 - (b) the Funds from the requirement in section 2.1 of NI 81-101 to prepare a Fund Facts in the form of Form 81-101F3 *Contents of Fund Facts Document* (Form 81-101F3) to permit the Funds to deviate from certain requirements in Form 81-101F3 in order to prepare a Consolidated Fund Facts Document (as defined below) that includes the Switching Disclosure (as defined below) (the Consolidated Fund Facts Relief, and together with the Fund Facts Delivery Relief, the Exemption Sought).

Under the Process for Exemptive Relief Applications in Multiple Jurisdictions (for a dual application):

- (a) the British Columbia Securities Commission is the principal regulator for this application;
- (b) the Filers have provided notice that section 4.7(1) of Multilateral Instrument 11-102 *Passport System* (MI 11-102) is intended to be relied upon in Alberta, Saskatchewan, Manitoba, Quebec, New Brunswick, Nova Scotia, Prince Edward Island, Newfoundland and Labrador, Yukon, Northwest Territories and Nunavut; and
- (c) the decision is the decision of the principal regulator and evidences the decision of the securities regulatory authority or regulator in Ontario.

Interpretation

- ¶ 2 Terms defined in National Instrument 14-101 *Definitions* and MI 11-102 have the same meaning if used in this decision, unless otherwise defined. In addition, terms defined in NI 81-101 have the same meaning if used in this decision, unless otherwise defined.

Representations

- ¶ 3 This decision is based on the following facts represented by the Filers:

HSBC GAM

1. HSBC GAM is a corporation organized under the laws of Canada with its head office located in Vancouver, British Columbia;
2. HSBC GAM is registered as (a) an investment fund manager in British Columbia, Ontario, Quebec, and Newfoundland and Labrador; (b) a portfolio manager in British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, New Brunswick, Nova Scotia, and Newfoundland and Labrador; and (c) an exempt market dealer in British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, New Brunswick, Nova Scotia, Newfoundland and Labrador, and the Northwest Territories;
3. HSBC GAM is not in default of the securities legislation in any of the provinces and territories of Canada;

The Dealers

4. the Representative Dealer is a member of the Mutual Fund Dealers Association of Canada (the MFDA) and is registered in the category of mutual fund dealer in each of the provinces of Canada except Prince Edward Island;
5. securities of the Funds (the Securities) are, or will be, distributed through Dealers that may or may not be affiliated with HSBC GAM, including the Representative Dealer;
6. each Dealer is, or will be, registered as a dealer in one or more provinces and territories of Canada; and each Dealer is, or will be, a member of either the Investment Industry Regulatory Organization of Canada or the MFDA;

7. the Representative Dealer is not in default of the securities legislation in any of the provinces and territories of Canada;

The Funds

8. HSBC GAM is the manager of mutual funds (the Existing Funds), each of which is subject to the requirements of National Instrument 81-102 *Investment Funds* (NI 81-102); and HSBC GAM may, in the future, become the manager of additional mutual funds (the Future Funds and, together with the Existing Funds, the Funds) that are subject to the requirements of NI 81-102;
9. each Fund is, or will be, a reporting issuer under the laws of all of the provinces and territories of Canada; and the Securities of the Funds are, or will be, qualified for distribution pursuant to a simplified prospectus, annual information form and Fund Facts that have been, or will be, prepared and filed in accordance with NI 81-101;
10. each Fund is, or will be, an open-end mutual fund trust created under the laws of British Columbia or an open-end mutual fund that is a class of shares of a mutual fund corporation incorporated under the laws of British Columbia or Canada;
11. the Existing Funds are not in default of the securities legislation in any of the provinces and territories of Canada;
12. the Existing Funds currently offer up to 6 series of Securities - Investor Series, Investor T Series, Premium Series, Premium T Series, Manager Series and Institutional Series - under a simplified prospectus, annual information form and Fund Facts dated December 18, 2019, as amended; and HSBC GAM may also offer additional series of the Funds in the future;
13. each Fund offers, or will offer, one or more series (each a Retail Series) of Securities (the Retail Series Securities) that are generally available to all investors;
14. each Fund offers, or may offer, one or more series (each a High Net Worth Series) of Securities (the High Net Worth Series Securities) that are, or will be, available to investors that purchase and hold a minimum balance of High Net Worth Series Securities in a single Fund in a single account having a market value of at least \$100,000 if the High Net Worth Series Securities are valued in Canadian dollars or US\$100,000 if the High Net Worth Series Securities are valued in U.S. dollars (the Eligibility Criteria);
15. each pair of series of Securities of a Fund is made up of a Retail Series and a High Net Worth Series (each a Pair); currently, each Pair is the Investor Series and the Premium Series of a Fund and the Investor T Series and the Premium T Series of a Fund; each High Net Worth Series in a Pair is identical to its corresponding Retail Series in that Pair but for the Eligibility Criteria and the fact that it has a lower percentage management fee than the Retail Series;

Switches

16. subject to receiving the Exemption Sought, HSBC GAM intends to implement a program (the Switching Program) effective on a future date specified by HSBC GAM (the Implementation Date) for each existing Pair; Pairs created in the future may be added to the Switching Program at future dates (which future date for a future Pair will be its Implementation Date); under the Switching Program, where an investor holds Retail Series Securities of a Pair and meets the Eligibility Criteria, the investor will be switched automatically into the High Net Worth Series Securities of its Pair (a Lower Fee Switch) without the Dealer or investor having to initiate the trade; if an investor holding High Net Worth Series Securities ceases to meet the Eligibility Criteria because the investor has redeemed High Net Worth Series Securities, HSBC GAM may switch the applicable High Net Worth Series Securities into the applicable Retail Series Securities without the Dealer or investor initiating the trade (a Higher Fee Switch and, together with the Lower Fee Switches, the Switches);
17. Lower Fee Switches will take place after the investor purchases additional Retail Series Securities of a Fund and/or when positive market movement increases the market value of the Retail Series Securities held by the investor, resulting in the investor meeting the Eligibility Criteria;
18. Higher Fee Switches may take place after the investor redeems High Net Worth Series Securities that decrease the market value of the High Net Worth Securities held by the investor below the Eligibility Criteria; however, a market value decline, by itself, will not trigger a Higher Fee Switch;
19. HSBC GAM will determine whether investors are eligible to purchase and continue to hold High Net Worth Series Securities; if an investor is no longer eligible to hold High Net Worth Series Securities, HSBC GAM may effect a Higher Fee Switch;

20. once an investor has qualified for High Net Worth Series Securities of a Fund, the investor will continue to receive the benefit of the lower management fee associated with the High Net Worth Series, even if the performance of the Fund reduces the market value of the High Net Worth Series Securities below the Eligibility Criteria as long as the investor has not redeemed any High Net Worth Series Securities that bring the value of the High Net Worth Series Securities held by the investor below the Eligibility Criteria;
21. investors may access High Net Worth Series Securities by (a) initially investing in High Net Worth Series Securities if they meet the Eligibility Criteria, or (b) initially investing in Retail Series Securities and then, upon meeting the Eligibility Criteria, having those Retail Series Securities switched into High Net Worth Series securities by way of a Lower Fee Switch;
22. investors may access Retail Series Securities by (a) initially investing in Retail Series Securities, or (b) initially investing in High Net Worth Series Securities and then, upon no longer meeting the Eligibility Criteria for the High Net Worth Series Securities, having those High Net Worth Series Securities switched into Retail Series Securities by way of a Higher Fee Switch;
23. further to each Lower Fee Switch, an investor would continue to hold Securities in the same Fund as before the Lower Fee Switch, with the only material difference to the investor being that the percentage management fee charged for the High Net Worth Series Securities would be lower than that charged for Retail Series Securities of that Pair;
24. further to each Higher Fee Switch, an investor would continue to hold Securities in the same Fund as before the Higher Fee Switch, with the only material difference to the investor being that the percentage management fee charged for the Retail Series Securities would be higher than that charged for High Net Worth Series Securities of that Pair;
25. the trailing commission, if any, for High Net Worth Series Securities is lower than the trailing commission, if any, for Retail Series Securities of that Pair;
26. there are no sales charges, switch fees or other fees payable by the investor upon a Switch;
27. the Switches will have no adverse tax consequences on investors under current Canadian tax legislation;

Consolidated Fund Facts Relief

28. HSBC GAM will prepare, for each Pair of each Fund, a consolidated Fund Facts (a Consolidated Fund Facts Document);
29. each Consolidated Fund Facts Document will include the information required by Form 81-101F3 for both of the series in the applicable Pair, except as set out below in paragraph 30;
30. specifically, for each Consolidated Fund Facts Document of a Pair in the Switching Program, HSBC GAM proposes to deviate from the following requirements in Form 81-101F3:
 - (a) General Instructions (10) and (16), to permit the Consolidated Fund Facts Document to be the Fund Facts for, and disclose information relating to, both of the series in the applicable Pair, except as further described below;
 - (b) Item 1(c.1) of Part I, to permit the Consolidated Fund Facts Document to name both of the series in the applicable Pair in the heading;
 - (c) Item 1(e) of Part I, to permit the Consolidated Fund Facts Document to name both of the series in the applicable Pair in the introduction to the Fund Facts;
 - (d) Instruction (0.1) of Part I, to permit the Consolidated Fund Facts Document to identify the fund codes of both of the series in the applicable Pair;
 - (e) Instruction (1) of Item 2 of Part I, to permit the Consolidated Fund Facts Document to list the date that both of the series in the applicable Pair first became available to the public;
 - (f) Instruction (3) of Item 2 of Part I, to permit the Consolidated Fund Facts Document to disclose the management expense ratio (the MER) of only the applicable Retail Series within the applicable Pair;

- (g) Instruction (6) of Item 2 of Part I, to permit the Consolidated Fund Facts Document to specify the minimum investment amount and additional investment amount of only the applicable Retail Series within the applicable Pair;
- (h) General Instruction (8), to permit the Consolidated Fund Facts Document to include a footnote under the “Quick Facts” table that:
 - (i) states that the Fund Facts pertains to both of the series in the applicable Pair;
 - (ii) cross-references the “How much does it cost?” section of the Fund Facts for further details about the Switches;
 - (iii) cross-references the fee decrease table under the subheading “Fund expenses” of the Fund Facts for further details about the minimum investment amount for both series in the applicable Pair; and
 - (iv) cross-references the “Fund expenses” subsection of the Fund Facts for further details about the MER for both of the series in the applicable Pair;
- (i) Item 5(1) of Part I, to permit the Consolidated Fund Facts Document to:
 - (i) reference only the applicable Retail Series of the applicable Pair in the introduction under the heading “How has the fund performed?”; and
 - (ii) include, as a part of the introduction, disclosure explaining that the performance of the High Net Worth Series of the applicable Pair would be similar to the performance of the corresponding Retail Series, but would vary as a result of the difference in fees compared to the corresponding Retail Series, as set out in the fee decrease table under the subheading “Fund expenses”;
- (j) Instruction (4) of Item 5 of Part I, to permit a Consolidated Fund Facts Document to show the required performance data under the subheadings “Year-by-year returns”, “Best and worst 3-month returns”, and “Average return” relating only to the applicable Retail Series Securities;
- (k) Item 1(1.1) of Part II, to permit a Consolidated Fund Facts Document to:
 - (i) refer to both series in the applicable Pair in the introductory statement under the heading “How much does it cost?”; and
 - (ii) include, as part of the introductory statement, a summary of the Switches, consisting of:
 - (A) a statement explaining that the High Net Worth Series charges a lower management fee than the corresponding Retail Series;
 - (B) a statement explaining the scenarios in which the Switches will be made, including Switches that may be made due to the investor no longer meeting the Eligibility Criteria for the applicable High Net Worth Series;
 - (C) a cross-reference to the fee decrease table under the subheading “Fund expenses”;
 - (D) a cross-reference to specific sections of the simplified prospectus of the Funds for more details about the Switches; and
 - (E) a statement disclosing that investors should speak to their representative for more details about the Switches;
- (l) Item 1(1.2)(1) of Part II, to permit a Consolidated Fund Facts Document to refer to both of the series in the applicable Pair in the introduction under the subheading “Sales charges”, if applicable;
- (m) Instruction (1) of Item 1 of Part II, to permit a Consolidated Fund Facts Document to disclose all sales charge options for both of the series in the applicable Pair;
- (n) Item 1(1.3)(2) of Part II, to permit a Consolidated Fund Facts Document, where the applicable Fund is not new, to:

- (i) disclose the MER, trading expense ratio and fund expenses of both series in the particular Pair, and where certain information is not available for a particular series, to state “not available” in the corresponding part of the table; and
 - (ii) add a row in the table:
 - (A) in which the first column states “For every \$1,000 invested, this equals”; and
 - (B) which discloses the respective equivalent dollar amounts of the fund expenses of each series included in the table for each \$1,000 investment;
 - (o) Item 1(1.3)(3) of Part II, to permit a Consolidated Fund Facts Document, where the applicable Fund and both of the series in the applicable Pair are not new, to include, instead of the mandated statement above the fund expenses table:
 - (i) a statement explaining that the applicable Retail Series has a higher management fee than the applicable High Net Worth Series; and
 - (ii) a statement stating “As of [the date of the most recently filed management report of fund performance], the fund expenses were as follows.”;
 - (p) Item 1(1.3)(3) of Part II, to permit a Consolidated Fund Facts Document, where the applicable Fund is not new but where one of the series in the applicable Pair is new, to include, instead of the mandated statement above the fund expenses table:
 - (i) a statement explaining that the applicable Retail Series has a higher management fee than the applicable High Net Worth Series;
 - (ii) a statement disclosing that the fund expenses information below is not available for one of the series because it is new, as indicated below; and
 - (iii) a statement stating “As of [the date of the most recently filed management report of fund performance], the fund expenses were as follows.”;
 - (q) Item 1(1.3)(4) of Part II, to permit a Consolidated Fund Facts Document, where the applicable Fund is new, to:
 - (i) include a statement explaining that the applicable Retail Series has a higher management fee than the applicable High Net Worth Series;
 - (ii) disclose the rate of the management fee of only the applicable Retail Series; and
 - (iii) for only the applicable Retail Series, disclose that the operating expenses and trading costs are not available because it is new;
 - (r) General Instruction (8), to permit a Consolidated Fund Facts Document to include, at the end of the disclosure under the subheading “Fund expenses”:
 - (i) a table that discloses:
 - (A) the name of, and qualifying investment amounts associated with, each of the series in the applicable Pair; and
 - (B) the management fee decrease of the applicable High Net Worth Series from the management fee of the applicable Retail Series, shown in percentage terms; and
 - (ii) an introduction to the table stating that the table sets out the management fee decrease of the applicable High Net Worth Series from the management fee of the applicable Retail Series; and
 - (s) Item 1.3(7) of Part II, to permit a Consolidated Fund Facts Document to disclose the range of the rates of the trailing commission for each sales charge option for both the series in the applicable Pair
- (collectively, the Switching Disclosure);

Decisions, Orders and Rulings

31. In order to provide investors with more comprehensive disclosure about the Switches and each of the series in the applicable Pair as compared to disclosure in separate Fund Facts for each of the series in the applicable Pair, the Filers will provide a Consolidated Fund Facts Document containing the Switching Disclosure, which would be delivered to investors before the initial investment in Retail Series Securities or, if eligible, High Net Worth Series Securities;
32. in the absence of the Consolidated Fund Facts Relief, HSBC GAM would be required to prepare separate Fund Facts for each of the series within each Pair;

Fund Facts Delivery Relief

33. each Switch will entail either (a) a redemption of the Retail Series security immediately followed by a purchase of the corresponding High Net Worth Series security, or (b) a redemption of the High Net Worth Series security immediately followed by a purchase of the corresponding Retail Series security; and each purchase of Securities done as part of a Switch will be a re-designation under the amended and restated declaration of trust for the Funds and a “distribution” under the Legislation, which triggers the Fund Facts Delivery Requirement;
34. pursuant to the Fund Facts Delivery Requirement, a dealer is required to deliver the most recently filed Fund Facts of a series of a fund to an investor before the dealer accepts an instruction from the investor for the purchase of that series of the fund;
35. while HSBC GAM will initiate each trade done as part of a Switch, HSBC GAM and each Dealer do not propose to deliver a Fund Facts to investors in connection with the purchase of Securities made pursuant to a Switch since, after the Implementation Date, investors will receive a Consolidated Fund Facts Document containing the Switching Disclosure before their first purchase of Retail Series Securities or High Net Worth Series Securities in accordance with the Fund Facts Delivery Requirement; the Consolidated Fund Facts Document will provide investors with disclosure about the Switches and both of the series in the applicable Pair, and investors would derive little benefit from receiving a further Consolidated Fund Facts Document in conjunction with each Switch;
36. to ensure that existing investors in both the Retail Series and High Net Worth Series prior to the Implementation Date receive sufficient disclosure of the changes that will be implemented on the Implementation Date, HSBC GAM will liaise with the Dealers to devise and implement a notification plan for such investors to notify them about the Switches, as further described below in condition 2(a) below;
37. HSBC GAM will communicate with the Dealers about the Switches so that the Dealers can explain the changes in the Retail Series and High Net Worth Series applying to existing investors investments in the Funds, and appropriately advise new investors about the Switches;
38. HSBC GAM will deliver, or will arrange for the delivery by the Dealers of, trade confirmations to investors in connection with each trade done further to a Switch; furthermore, transaction details of the changes in series of Securities held by investors will be reflected in the account statements sent to investors for the quarter in which the change occurred;
39. the most recently filed Consolidated Fund Facts Document for each series will be available to investors on HSBC GAM's website; and
40. in the absence of the Fund Facts Delivery Relief, the Dealers would be required to deliver the applicable Fund Facts to investors in connection with the purchase of Securities made pursuant to each Switch.

Decision

- ¶ 4 Each of the Decision Makers is satisfied that the decision meets the test set out in the Legislation for the Decision Maker to make the decision.

The decision of the Decision Makers under the Legislation is that:

1. the Consolidated Fund Facts Relief is granted provided that each Consolidated Fund Facts Document contains the Switching Disclosure; and
2. the Fund Facts Delivery Relief is granted provided that:
 - (a) for investors invested in the Retail Series or the High Net Worth Series of a Pair prior to its Implementation Date, HSBC GAM will liaise with the relevant Dealers to devise and implement a notification plan for such investors regarding the Switches to communicate the following:

- (i) that their investment may be switched to the High Net Worth Series with a lower management fee upon meeting the Eligibility Criteria;
- (ii) that, other than a difference in the management fees, there will be no other material difference to the investor between the Retail Series Securities and the High Net Worth Series Securities of the Pair;
- (iii) that if they cease to meet the Eligibility Criteria, their investment may be switched to the Retail Series, which has a higher management fee; and
- (iv) that they will not receive the Consolidated Fund Facts Document when they purchase Securities in connection with a Switch, but that:
 - (A) they may request the most recently filed Consolidated Fund Facts Document for the relevant series by calling a specified toll-free number or by sending a request via email to a specified address;
 - (B) the most recently filed Consolidated Fund Facts Document will be sent or delivered to them at no cost, if requested;
 - (C) the most recently filed Consolidated Fund Facts Document may be found either on the SEDAR website or on HSBC GAM's website; and
 - (D) they will not have the right to withdraw from an agreement of purchase and sale (a Withdrawal Right) in respect of a purchase of Securities made pursuant to a Switch, but they will have the right of action for damages or rescission in the event any Fund Facts or document incorporated by reference into a simplified prospectus for the relevant series contains a misrepresentation, whether or not they request the Fund Facts;
- (b) prior to the Implementation Date for a Pair, HSBC GAM incorporates disclosure in the simplified prospectus for each Fund participating in the Switches that describes the Switches, including:
 - (i) the Eligibility Criteria;
 - (ii) the fees applicable to investments in the Retail Series Securities and the High Net Worth Series Securities of that Pair; and
 - (iii) that if investors cease to meet the Eligibility Criteria, their investment may be switched to the corresponding Retail Series Securities, which has a higher management fee;
- (c) after each Implementation Date of a Pair, HSBC GAM sends to each investor that holds Securities of that Pair an annual reminder notice advising that they will not receive a Fund Facts when they purchase Retail Series Securities or High Net Worth Series Securities pursuant to a Switch, but that:
 - (i) they may request the most recently filed Consolidated Fund Facts Document for the relevant series by calling a specified toll-free number or by sending a request via email to a specified address;
 - (ii) the most recently filed Consolidated Fund Facts Document will be sent or delivered to them at no cost, if requested;
 - (iii) the most recently filed Consolidated Fund Facts Document may be found either on the SEDAR website or on HSBC GAM's website; and
 - (iv) they will not have a Withdrawal Right in respect of a purchase of Securities made pursuant to a Switch, but they will have a right of action for damages or rescission in the event any Fund Facts or document incorporated by reference into a simplified prospectus for the relevant series contains a misrepresentation, whether or not they request the Fund Facts;
- (d) HSBC GAM provides to the principal regulator, on an annual basis, beginning 60 days after the date upon which the Fund Facts Delivery Relief is first relied upon by a Dealer, either:
 - (i) a current list of all Dealers that are relying on the Fund Facts Delivery Relief; or

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- (ii) an update to the list of such Dealers previously provided by HSBC GAM to the principal regulator, or confirmation that there has been no change to such list; and
- (e) prior to a Dealer relying on the Fund Facts Delivery Relief, HSBC GAM provides to the Dealer a disclosure statement informing the Dealer of the implications of this decision.

“John Hinze”
Director, Corporate Finance
British Columbia Securities Commission

2.1.2 SEI Investments Canada Company and Richardson GMP Limited

Headnote

National Policy 11-203 – Process for Exemptive Relief Applications in Multiple Jurisdictions – Relief granted from the requirement in s. 3.2.01(1) of NI 81-101 to deliver a fund facts document to investors for subsequent purchases of mutual fund securities made pursuant to a model portfolio program, subject to certain conditions – Relief from the requirement in subsections 5.2(1), (3) and (4) of NI 81-101 to allow dealer to physically deliver or electronically send in a single email attachment or single document accessible through a hyperlink one document containing the fund facts documents of all of the funds in a model portfolio, along with a cover page, in respect of purchases of securities of the funds made pursuant to a model portfolio program, subject to certain conditions – National Instrument 81-101 Mutual Fund Prospectus Disclosure.

Applicable Legislative Provisions

National Instrument 81-101 Mutual Fund Prospectus Disclosure, ss. 3.2.01(1), 5.2(1), 5.2(3), 5.2(4), 6.1.

July 15, 2020

**IN THE MATTER OF
THE SECURITIES LEGISLATION OF
ONTARIO
(the Jurisdiction)**

AND

**IN THE MATTER OF
THE PROCESS FOR EXEMPTIVE
RELIEF APPLICATIONS IN
MULTIPLE JURISDICTIONS**

AND

**IN THE MATTER OF
SEI INVESTMENTS CANADA COMPANY
(SEI)**

AND

**IN THE MATTER OF
RICHARDSON GMP LIMITED
(the Representative Dealer, and,
together with SEI, the Filers)**

DECISION

Background

The principal regulator in the Jurisdiction has received an application from SEI on behalf of the Funds (as defined below) and the Representative Dealer for a decision under the securities legislation of the Jurisdiction (the

Legislation) exempting each Dealer (as defined below) from the requirement in subsection 3.2.01(1) of National Instrument 81-101 *Mutual Fund Prospectus Disclosure* (**NI 81-101**) to deliver or send the most recently filed fund facts document (a **Fund Facts**) in the manner required under the Legislation (the **Fund Facts Delivery Requirement**) in respect of purchases of securities of the Funds (as defined below) that are made in connection with Rebalancing Trades (as defined below), Weighting Change Trades (as defined below), New Fund Addition Trades (as defined below) and Additional Investments (as defined below) (the **Exemption Sought**).

Under the Process for Exemptive Relief Applications in Multiple Jurisdictions (for a passport application):

- (a) the Ontario Securities Commission is the principal regulator for this application; and
- (b) the Filers have provided notice that section 4.7(1) of Multilateral Instrument 11-102 *Passport System* (**MI 11-102**) is intended to be relied upon in Alberta, British Columbia, Manitoba, New Brunswick, Newfoundland and Labrador, Nova Scotia, Prince Edward Island, Québec, Saskatchewan and Yukon (the **Other Jurisdictions**, and together with Ontario, the **Canadian Jurisdictions**).

Interpretation

Terms defined in National Instrument 14-101 *Definitions* and MI 11-102 have the same meaning if used in this decision, unless otherwise defined.

Representations

This decision is based on the following facts represented by the Filers:

SEI and the Funds

1. SEI is an unlimited liability company organized under the laws of the Province of Nova Scotia. The registered office of SEI is located in Toronto, Ontario.
2. SEI is registered as a portfolio manager and an exempt market dealer in each of the Canadian Jurisdictions, and as an investment fund manager in Ontario, Newfoundland and Labrador, and Québec. SEI is also registered under the *Commodity Futures Act* (Ontario) as an adviser in the category of commodity trading manager.
3. SEI is the investment fund manager of certain mutual funds (the **Existing Funds**) that form part of the SEI Portfolios model portfolio service described below (the **Service**). SEI may, in the future, also become the manager of additional mutual funds (the **Future Funds** and, together

with the Existing Funds, the **Funds**) that will also form part of the Service.

4. Each of the Funds is, or will be, a reporting issuer in one or more of the Canadian Jurisdictions, and subject to the requirements of National Instrument 81-102 *Investment Funds (NI 81-102)*. Securities of the Funds are, or will be, qualified for sale pursuant to a simplified prospectus, annual information form and Fund Facts that have been, or will be, prepared and filed in accordance with NI 81-101.
5. The Funds are, or will be, open-ended mutual funds established under the laws of Ontario.
6. Except as described in representation 34 below, SEI is not in default of securities legislation in any of the Canadian Jurisdictions. The Funds are not in default of securities legislation in any of the Canadian Jurisdictions.

The Dealers

7. Securities of the Funds are, or will be, distributed through dealers that are unaffiliated with SEI, including the Representative Dealer (the **Dealers**, and each, a **Dealer**).
8. The Representative Dealer is registered as an investment dealer and is a member of the Investment Industry Regulatory Organization of Canada (**IIROC**).
9. Each Dealer is, or will be: (a) registered in the applicable Canadian Jurisdiction(s) as a dealer in the category of mutual fund dealer and, other than mutual fund dealers registered in Québec, is, or will be, a member of the Mutual Fund Dealers Association; or (b) registered in the applicable Canadian Jurisdiction(s) as a dealer in the category of investment dealer and is, or will be, a member of IIROC.
10. Except as described in representation 41 below, the Representative Dealer is not in default of securities legislation in any of the Canadian Jurisdictions.

The Service

11. Through the Service, SEI constructs and makes available to investors, through Dealers, asset allocation portfolios which are invested exclusively in various combinations of the Funds (the **SEI Portfolios**, and each, an **SEI Portfolio**).
12. The Service offers a number of SEI Portfolios, each of which is comprised of a selection of Funds and corresponds to a different investment objective, investment horizon and risk profile. The SEI Portfolios are designed to meet a wide range of investor goals, from capital preservation to

maximum growth, and span a broad risk-return spectrum.

13. Each SEI Portfolio is, and will be, comprised entirely of Funds for which SEI acts as investment fund manager.
14. Each SEI Portfolio has a specified target fund allocation that defines the percentage of the portfolio to be invested (the **Target Weighting**) in each Fund.
15. Because of fluctuations in the value of the Funds in each SEI Portfolio, their actual weighting will vary from time to time in relation to the initial allocation. As such, as a part of the Service, SEI may need to rebalance an investor's holdings in the Funds from time to time back to the Target Weighting for each Fund within the selected SEI Portfolio through purchases and redemptions of securities of the Funds (the **Rebalancing Trades**).
16. In addition, as part of the Service, SEI may also need to reallocate securities of the Funds held in an investor's account through purchases and redemptions of securities of the Funds in order to change the composition of the selected SEI Portfolio, including to:
 - (a) add one or more new Funds to an SEI Portfolio (each, a **New Fund**), when SEI considers another Fund to be more appropriate than an existing Fund in an SEI Portfolio (the **New Fund Addition Trades**);
 - (b) remove one or more Funds from an SEI Portfolio (the **Fund Removal Trades**); and
 - (c) change the Target Weighting of one or more Funds within an SEI Portfolio (the **Weighting Change Trades**, and together with the Rebalancing Trades, the New Fund Addition Trades, and the Fund Removal Trades, the **Service Trades**).

17. An investor in the Service (the **Investor**) must invest a specified minimum amount to be eligible to invest in an SEI Portfolio. All distributions made by the Funds within an SEI Portfolio are set to reinvest automatically in additional securities of the Funds for all accounts.
18. An Investor may, from time to time, contribute additional funds to the Investor's accounts with a Dealer for investment in the selected SEI Portfolio through the Service. Such additional funds will be applied towards the purchase of additional securities of the Funds in accordance with the

- Target Weighting of each Fund (the **Additional Investments**).
19. In order to invest in an SEI Portfolio, the Investor meets with a registered representative of a Dealer (the **Registered Representative**), who collects and assesses all of the relevant know-your-client (**KYC**) and suitability information, including the Investor's financial circumstances, investment knowledge, investment objectives, investment time horizon and risk tolerance, for each Investor.
 20. SEI provides an investment policy statement or equivalent document, setting out the rules governing the investment in each SEI Portfolio (the **SEI Investment Policy Statement**) to the Dealer. The SEI Investment Policy Statement is intended to establish a clear understanding between the Investor and the Dealer as to their respective duties and responsibilities, the investment policies and objectives of the selected SEI Portfolio, and the rules governing the investment in the selected SEI Portfolio. The SEI Investment Policy Statement for each SEI Portfolio also discloses the Target Weighting of the applicable SEI Portfolio.
 21. SEI may also provide a form of questionnaire or another similar process (the **Questionnaire**) to the Dealer to help the Registered Representative and the Investor determine the SEI Portfolio that best suits the Investor's needs and financial goals.
 22. SEI requires each Dealer to provide the SEI Investment Policy Statement of the applicable SEI Portfolio to Investors.
 23. The SEI Portfolio will be selected by the Investor in consultation with the Dealer, based on, if applicable, the information contained in the Questionnaire completed by the Investor with the assistance of the Registered Representative (or any other similar process employed by the Dealer), as well as the unique circumstances of the Investor and the investment mandate of each SEI Portfolio, as described in the SEI Investment Policy Statement.
 24. If the Investor decides to invest in an SEI Portfolio, SEI (through a pre-signed agreement prepared by SEI), the Investor and the Registered Representative will complete and sign a form of investor application and agreement and related documents, including, as the case may be, the relevant SEI Investment Policy Statement or equivalent document (the **Agreement**).
 25. The Dealer is responsible for arranging for the execution of the Agreement and related materials by the Investor as a condition of the Dealer investing assets of the Investor in the selected SEI Portfolio.
26. The Agreement outlines the rules governing the investment in the selected SEI Portfolio, including with respect to the following matters:
 - (a) Model Portfolio – The Investor engages SEI to act as manager of the cash, securities and property (the **Portfolio Assets**) held in respect of the Investor's account with SEI in accordance with the selected SEI Portfolio. The Agreement contains disclosure relating to the Service Trades, including that, under the SEI Portfolio program, SEI is the manager of the SEI Portfolios and will be providing discretionary investment management services with respect to each SEI Portfolio, including rebalancing the percentage allocations of the Funds in the selected SEI Portfolio back to the applicable Target Weighting, adding and removing Funds from the selected SEI Portfolio and changing the applicable Target Weighting of the Funds in the selected SEI Portfolio.
 - (b) Role of the Third Party Dealer – The Investor invests in the selected SEI Portfolio through an appropriately registered Dealer which serves as its agent and attorney-in-fact, including for the purposes of assisting the Investor in the selection of the SEI Portfolio, and instructing SEI to (i) invest the Investor's assets in accordance with the selected SEI Portfolio, (ii) invest additional money into the selected SEI Portfolio, (iii) withdraw money from the selected SEI Portfolio, and (iv) make required Service Trades. The Dealer in turn instructs SEI in connection with the selected SEI Portfolio. SEI is entitled to accept absolutely and without any inquiry the Investor's choice of the selected SEI Portfolio, and invest in the Funds in accordance with such SEI Portfolio. The Investor specifically authorizes SEI to, among other things, (i) follow the instructions from the Dealer, as agent of the Investor, to invest additional money into, and withdraw money from, the selected SEI Portfolio; and (ii) maintain appropriate records of the Portfolio Assets, including all purchases and redemptions and provide regular transaction reporting to the Dealer, as agent of the Investor.
 - (c) KYC and Suitability – The Investor acknowledges that SEI: (i) is not responsible for making any asset allocation recommendations or evaluating the suitability of a particular SEI Portfolio for the Investor's needs and

financial goals, for supervising or monitoring trading by the Dealer in the Investor's account with the Dealer, or for providing for the rebalancing of the SEI Portfolios on an individual basis; and (ii) will receive discretionary authority and instructions with respect to the investment of the Investor's assets with the selected SEI Portfolio solely from the Dealer as the Investor's agent and attorney-in-fact.

- (d) Termination – The Investor may hold Funds through the Investor's account with the Dealer either (a) as part of the Service or (b), if contemplated under the Investor's account arrangements with the Dealer, on a standalone basis outside of the Service. The Investor may elect at any time to terminate its participation in the Service by instructing the Dealer to discontinue the Investor's participation in the Service, in which case, the Dealer will arrange for the Investor's investments in the Funds to be fully redeemed. Should the Investor wish to continue to invest in the Funds on a standalone basis outside of the Service, the Dealer will arrange for the Investor's investments in the Funds to be fully redeemed and for the Investor to re-invest in the Funds.
27. SEI Portfolios comprised of Class E, F or O units may be selected. The fees and expenses charged in respect of an investment in an SEI Portfolio are currently as follows:
- (a) For SEI Portfolios comprised of Class E units, SEI will receive management fees from each Fund in respect of the Investor's holdings. A portion of the management fee (as detailed in the Fund Facts and simplified prospectus) is currently paid to the Dealer in the form of a trailing commission.
 - (b) For SEI Portfolios comprised of Class F units, SEI will receive management fees from each Fund in respect of the Investor's holdings. Since Class F units are intended for use within Dealer-sponsored fee-based accounts, an advisory fee will also be charged by the Dealer to the Investor.
 - (c) For SEI Portfolios comprised of Class O units, SEI will receive management fees as detailed in the Agreement. These management fees are charged on a tiered basis depending upon the market value of the assets held in the SEI Portfolio. SEI Portfolios comprised of Class O units will generally also be

subject to an advisory fee (the **Investor's Agent Fee**) of up to 1.50% that is determined and mutually agreed to by the Registered Representative and the Investor. The Investor's Agent Fee is communicated to SEI under the Agreement. The combined Investor's Agent Fee and management fees for the applicable SEI Portfolio will be paid by redemption of Class O units from a Fund in the Investor's account selected at SEI's discretion.

- 28. There is no duplication of any fees received by SEI and the Dealer, and no separate fees, such as sale charges, redemption fees, switch fees or early trading fees, charged in connection with the Service Trades.
- 29. The fees and expenses charged in respect of an investment in an SEI Portfolio, such as the management fee and the operating expenses applicable to the Funds, are described in the Agreement, as well as in the simplified prospectus and Fund Facts of the Funds.
- 30. As a registered portfolio manager and the manager of the Service, SEI is responsible for ensuring that the Investor's assets are invested in accordance with the terms of the selected SEI Portfolio and for monitoring the suitability of trading decisions, including Service Trades, that it makes at the level of the SEI Portfolio such that the trading decisions are suitable for the particular risk-return profile of the SEI Portfolio selected by the Investor.
- 31. SEI actively monitors the SEI Portfolios to ensure that the investment objectives are being met within the expected risk parameters.
- 32. Investors have no direct contact with SEI in connection with SEI's management of the SEI Portfolios and interact solely with the Dealer and the Registered Representatives in connection with SEI's management of the SEI Portfolios and the Dealer's administration of its accounts.
- 33. As SEI does not have any direct interaction with the Investor, other than through the Dealer that is acting as the Investor's agent and attorney-in-fact, the Service contemplates that the Dealer will be solely responsible for compliance with the KYC and suitability requirements at the level of the Investor. In particular, the Service contemplates that the Dealer is solely responsible for gathering and periodically updating KYC information concerning the Investor and confirming the suitability of the selected SEI Portfolio for the Investor given the Investor's financial goals, risk tolerance and unique circumstances.

- 34. SEI has received separate exemptive relief to address compliance with the dealer registration, KYC, suitability and account reporting requirements in the Legislation relating in respect of the Service.
- 35. The securities of the Funds that comprise each SEI Portfolio are directly held by each Investor in his/her own account(s) established with the Dealer.
- 36. The Service Trades and Additional Investments will be reflected in each Investor's account(s) with the Dealer on the business day following such Service Trades, and the records of SEI and the Dealer are reconciled daily.
- 37. The Dealer will send statements of account to each Investor on a monthly basis if any transactions have occurred in the Investor's account with the Dealer during the preceding month, or on a quarterly basis otherwise.
- 38. The Dealer will send an investment performance report to each Investor on an annual basis.

The Exemption Sought

- 39. The Rebalancing Trades, Weighting Change Trades and New Fund Addition Trades will result in redemptions and purchases of securities of one or more Funds in the SEI Portfolio. The Additional Investments will result in purchases of securities of one or more Funds in the SEI Portfolio. Each such purchase is a "distribution" under the Legislation, which triggers the Fund Facts Delivery Requirement.
- 40. The Fund Facts Delivery Requirement requires that a dealer, unless it has previously done so, deliver or send to a purchaser of a security of a fund the most recently filed Fund Facts for the fund before the dealer accepts an instruction from the purchaser for the purchase of the security.
- 41. The Fund Facts Delivery Requirement may not have been consistently complied with for purchases of securities of the Funds made in connection with Rebalancing Trades, Weighting Change Trades, New Fund Addition Trades and Additional Investments prior to the date of this decision.
- 42. Prior to the initial set-up of a new SEI Portfolio for an Investor, the Dealer will send or deliver the Fund Facts in respect of each Fund in the selected SEI Portfolio to the Investor, in accordance with the Fund Facts Delivery Requirement.
- 43. With respect to New Fund Addition Trades, the Dealer will provide the Investor with the most recently filed Fund Facts for any New Funds that

are added to the applicable SEI Portfolio as soon as practicable following the settlement date of the New Fund Addition Trade.

- 44. In the absence of the Exemption Sought, unless the Dealer has previously done so, the Dealer would be required to deliver the most recently filed Fund Facts for each affected Fund in an Investor's selected SEI Portfolio prior to each (a) Rebalancing Trade, (b) Weighting Change Trade, (c) New Fund Addition Trade and (d) Additional Investment.

Decision

The principal regulator is satisfied that the decision meets the test set out in the Legislation for the principal regulator to make the decision.

The decision of the principal regulator under the Legislation is that the Exemption Sought is granted provided that:

- (a) the Dealer provides each Investor with the most recently filed Fund Facts for any New Funds that are added to the applicable SEI Portfolio as soon as practicable following the settlement date of a New Fund Addition Trade;
- (b) each Investor in an SEI Portfolio is sent or delivered a notice that states:
 - (i) that except as provided for in paragraphs 42 and 43 above, the Investor will not receive the Fund Facts for the Funds in the SEI Portfolio after the date of the notice, unless the Investor specifically requests them;
 - (ii) that the Investor is entitled to receive upon request, at no cost to the Investor, the most recently filed Fund Facts for the Funds in the SEI Portfolio by calling a specified toll-free number, or by sending a request by mail or e-mail to a specified address or e-mail address;
 - (iii) how to access the Fund Facts for the Funds in the SEI Portfolio electronically;
 - (iv) that except for securities of New Funds that are purchased pursuant to New Fund Addition Trades, the Investor will not have a right of withdrawal under the Legislation for Rebalancing Trades, Weighting Change Trades and Additional Investments, but will continue to

have a right of action if there is a misrepresentation in the prospectus or any document incorporated by reference into the prospectus; and

- (v) that the Investor may terminate the Agreement at any time;
- (c) at least annually, the Investor will be advised in writing of how he/she can request the most recently filed Fund Facts;
- (d) the most recently filed Fund Facts is sent or delivered to the Investor if the Investor requests it;
- (e) SEI provides to the principal regulator, on an annual basis, beginning 60 days after the date upon which the Exemption Sought is first relied upon by a Dealer, either:
 - (i) a current list of all such Dealers that are relying on the Exemption Sought; or
 - (ii) an update to the list of such Dealers or confirmation that there has been no change to such list; and
- (f) prior to a Dealer relying on the Exemption Sought, SEI provides to the Dealer a disclosure statement informing the Dealer of the implications of this decision.

“Stephen Paglia”
Manager
Investment Funds and Structured Products
Ontario Securities Commission

2.1.3 SEI Investments Canada Company and Richardson GMP Limited

Headnote

National Policy 11-203 – Process for Exemptive Relief Applications in Multiple Jurisdictions – Relief granted from the requirement in s. 3.2.01(1) of NI 81-101 to deliver a fund facts document to investors for subsequent purchases of mutual fund securities made pursuant to a model portfolio program, subject to certain conditions – Relief from the requirement in subsections 5.2(1), (3) and (4) of NI 81-101 to allow dealer to physically deliver or electronically send in a single email attachment or single document accessible through a hyperlink one document containing the fund facts documents of all of the funds in a model portfolio, along with a cover page, in respect of purchases of securities of the funds made pursuant to a model portfolio program, subject to certain conditions – National Instrument 81-101 Mutual Fund Prospectus Disclosure.

Applicable Legislative Provisions

National Instrument 81-101 Mutual Fund Prospectus Disclosure, ss. 3.2.01(1), 5.2(1), 5.2(3), 5.2(4), 6.1.

July 15, 2020

**IN THE MATTER OF
THE SECURITIES LEGISLATION OF
ONTARIO
(the Jurisdiction)**

AND

**IN THE MATTER OF
THE PROCESS FOR EXEMPTIVE
RELIEF APPLICATIONS
IN MULTIPLE JURISDICTIONS**

AND

**IN THE MATTER OF
SEI INVESTMENTS CANADA COMPANY
(SEI)**

AND

**IN THE MATTER OF
RICHARDSON GMP LIMITED
(the Representative Dealer, and,
together with SEI, the Filers)**

DECISION

Background

The principal regulator in the Jurisdiction has received an application from SEI on behalf of the Funds (as defined below) and the Representative Dealer for a decision under the securities legislation of the Jurisdiction (the

Legislation) exempting each Dealer (as defined below) from:

- (i) subsection 5.2(1) of National Instrument 81-101 *Mutual Fund Prospectus Disclosure (NI 81-101)*, which prohibits a fund facts document (**Fund Facts**), if being delivered under the pre-sale delivery requirement for Fund Facts (the **Fund Facts Delivery Requirement**), from being combined with any other materials or documents;
- (ii) subsection 5.2(3) of NI 81-101, which prohibits multiple Fund Facts, if being delivered electronically at the same time, from being combined into a single email attachment or a single document accessible through a hyperlink; and
- (iii) subsection 5.2(4) of NI 81-101, which prohibits a Fund Facts, if being delivered or sent under certain exceptions from the Fund Facts Delivery Requirement, from being combined with any other materials or documents, except for certain exceptions (collectively, the **Bundling Restrictions**)

in order to physically deliver or electronically send, in a single email attachment or a single document accessible through a hyperlink, one document containing the Fund Facts for all the Funds (as defined below) forming part of an SEI Portfolio (as defined below), along with a cover page, in respect of purchases of securities of the Funds under the Service (as defined below) (the **Exemption Sought**).

Under the Process for Exemptive Relief Applications in Multiple Jurisdictions (for a passport application):

- (a) the Ontario Securities Commission is the principal regulator for this application; and
- (b) the Filers have provided notice that section 4.7(1) of Multilateral Instrument 11-102 *Passport System (MI 11-102)* is intended to be relied upon in Alberta, British Columbia, Manitoba, New Brunswick, Newfoundland and Labrador, Nova Scotia, Prince Edward Island, Québec, Saskatchewan and Yukon (the **Other Jurisdictions**, and together with Ontario, the **Canadian Jurisdictions**).

Interpretation

Terms defined in National Instrument 14-101 *Definitions* and MI 11-102 have the same meaning if used in this decision, unless otherwise defined.

Representations

This decision is based on the following facts represented by the Filers:

SEI and the Funds

1. SEI is an unlimited liability company organized under the laws of the Province of Nova Scotia. The registered office of SEI is located in Toronto, Ontario.
2. SEI is registered as a portfolio manager and an exempt market dealer in each of the Canadian Jurisdictions, and as an investment fund manager in Ontario, Newfoundland and Labrador, and Québec. SEI is also registered under the *Commodity Futures Act* (Ontario) as an adviser in the category of commodity trading manager.
3. SEI is the investment fund manager of certain mutual funds (the **Existing Funds**) that form part of the SEI Portfolios model portfolio service described below (the **Service**). SEI may, in the future, also become the manager of additional mutual funds (the **Future Funds** and, together with the Existing Funds, the **Funds**) that will also form part of the Service.
4. Each of the Funds is, or will be, a reporting issuer in one or more of the Canadian Jurisdictions, and subject to the requirements of National Instrument 81-102 *Investment Funds (NI 81-102)*. Securities of the Funds are, or will be, qualified for sale pursuant to a simplified prospectus, annual information form and Fund Facts that have been, or will be, prepared and filed in accordance with NI 81-101.
5. The Funds are, or will be, open-ended mutual funds established under the laws of Ontario.
6. Except as described in representation 16 below, SEI is not in default of securities legislation in any of the Canadian Jurisdictions. The Funds are not in default of securities legislation in any of the Canadian Jurisdictions.

The Dealers

7. Securities of the Funds are, or will be, distributed through dealers that are unaffiliated with SEI, including the Representative Dealer (the **Dealers**, and each, a **Dealer**).
8. The Representative Dealer is registered as an investment dealer and is a member of the Investment Industry Regulatory Organization of Canada (**IIROC**).
9. Each Dealer is, or will be: (a) registered in the applicable Canadian Jurisdictions as a dealer in the category of mutual fund dealer and, other than

mutual fund dealers registered in Québec, is, or will be, a member of the Mutual Fund Dealers Association; or (b) registered in the applicable Canadian Jurisdictions as a dealer in the category of investment dealer and is, or will be, a member of IIROC.

10. Except as described in representation 17 below, the Representative Dealer is not in default of securities legislation in any of the Canadian Jurisdictions.

The Service

11. Through the Service, SEI constructs and makes available to investors, through Dealers, asset allocation portfolios which are invested exclusively in various combinations of the Funds (the **SEI Portfolios**, and each, an **SEI Portfolio**).
12. The Service offers a number of SEI Portfolios, each of which is comprised of a selection of Funds and corresponds to a different investment objective, investment horizon and risk profile. The SEI Portfolios are designed to meet a wide range of investor goals, from capital preservation to maximum growth, and span a broad risk-return spectrum.
13. Each SEI Portfolio is, and will be, comprised entirely of Funds for which SEI acts as investment fund manager.
14. Each SEI Portfolio has a specified target fund allocation that defines the percentage of the portfolio to be invested (the **Target Weighting**) in each Fund.
15. Each investor in an SEI Portfolio must accept all of the Funds in the SEI Portfolio and the Targeted Weighting of each of those Funds.
16. SEI has received exemptive relief to address compliance with the dealer registration, know-your-client, suitability and account reporting requirements in the Legislation in respect of the Service.
17. SEI and the Representative Dealer, on behalf of each Dealer, have applied for exemptive relief to address compliance with the Fund Facts Delivery Requirement in the Legislation in respect of the Service.

The Exemption Sought

18. Each investor in an SEI Portfolio makes one investment decision, which is the selection of their chosen SEI Portfolio, causing the investor to invest in multiple Funds comprising their chosen SEI Portfolio.
19. The Filer believes that combining all of the Fund Facts for the Funds in an SEI Portfolio in one document, in paper or electronic form in a single

email attachment or a single document accessible through a hyperlink, along with a cover page, rather than delivering or sending separate multiple Fund Facts documents:

- (a) will allow investors to better understand that an SEI Portfolio is composed of several Funds with their own characteristics;
- (b) will facilitate the review of information provided in the Fund Facts of each Fund forming part of the selected SEI Portfolio; and
- (c) will not be so extensive as to cause a reasonable person to conclude that the combination prevents the information from being presented in a simple, accessible and comparable format.

20. In the absence of the Exemption Sought, a Dealer would be required to comply with the Bundling Restrictions.

Decision

The principal regulator is satisfied that the decision meets the test set out in the Legislation for the principal regulator to make the decision.

The decision of the principal regulator under the Legislation is that the Exemption Sought is granted provided that, when a Fund Facts is required to be delivered or sent to the purchaser, for all the Funds forming part of an SEI Portfolio under the Service, the Dealer physically delivers or electronically sends, in a single email attachment or single document accessible through a hyperlink, one document containing only the following:

- (a) the Fund Facts for all the Funds in the SEI Portfolio; and
- (b) a cover page containing:
 - (i) the name of the particular SEI Portfolio;
 - (ii) a statement about the delivery of the Fund Facts that make up the SEI Portfolio;
 - (iii) the name of each Fund comprising the SEI Portfolio; and
 - (iv) the specified Target Weighting for each Fund in the SEI Portfolio.

“Stephen Paglia”
Manager
Investment Funds and Structured Products
Ontario Securities Commission

2.1.4 Ninepoint Partners LP and Ninepoint Enhanced Balanced Fund

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdiction – approval of investment fund merger – approval required because the merger does not meet the criteria for pre-approved reorganizations and transfers in National Instrument 81-102 Investment Funds – the terminating fund and continuing fund do not have substantially similar fundamental investment objectives and fee structures – the merger will not be a “qualifying exchange” or a tax-deferred transaction under the Income Tax Act (Canada) – the merger otherwise complies with pre-approval criteria, including securityholder vote, IRC approval and will provide benefits to securityholders – securityholders provided with timely and adequate disclosure regarding the merger.

Applicable Legislative Provisions

National Instrument 81-102 Investment Funds, ss. 5.5(1)(b), 5.7(1)(b), 19.1(2).

July 14, 2020

IN THE MATTER OF
THE SECURITIES LEGISLATION OF
ONTARIO
(the Jurisdiction)

AND

IN THE MATTER OF
THE PROCESS FOR EXEMPTIVE RELIEF APPLICATIONS
IN MULTIPLE JURISDICTIONS

AND

IN THE MATTER OF
NINEPOINT PARTNERS LP
(the Filer)

AND

NINEPOINT ENHANCED BALANCED FUND
(the Terminating Fund)

DECISION

Background

The principal regulator in the Jurisdiction has received an application from the Filer on behalf of the Terminating Fund for a decision under the securities legislation of the Jurisdiction (the **Legislation**) for approval of the proposed merger (the **Merger**) of the Terminating Fund into Ninepoint Enhanced Equity Class (the **Continuing Fund**, and together with the Terminating Fund, the **Funds**) under paragraph 5.5(1)(b) of National Instrument 81-102 *Investment Funds* (**NI 81-102**) (the **Approval Sought**).

Under the Process for Exemptive Relief Applications in Multiple Jurisdictions (for a passport application):

- (a) the Ontario Securities Commission is the principal regulator for this application; and
- (b) the Filer has provided notice that section 4.7(1) of Multilateral Instrument 11-102 *Passport System* (**MI 11-102**) is intended to be relied upon in each of the other provinces and territories of Canada (together with Ontario, the **Canadian Jurisdictions**).

Interpretation

Terms defined in National Instrument 14-101 *Definitions* and MI 11-102 have the same meaning if used in this decision, unless otherwise defined.

Representations

This decision is based on the following facts represented by the Filer:

The Filer

1. The Filer is a limited partnership under the laws of the Province of Ontario with its head office located in Toronto, Ontario.
2. The Filer is registered under the securities legislation: (i) in British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, New Brunswick, Nova Scotia, and Newfoundland and Labrador as an adviser in the category of portfolio manager; (ii) in Ontario, Newfoundland and Labrador and Quebec as an investment fund manager; and (iii) in British Columbia, Alberta, Quebec, Saskatchewan, Manitoba, Ontario, New Brunswick, Nova Scotia, and Newfoundland and Labrador as a dealer in the category of exempt market dealer.
3. The Filer is the investment fund manager of the Funds.
4. The Filer is not in default of any requirement of securities legislation in any of the Canadian Jurisdictions.

The Funds

5. The Terminating Fund is an open-ended mutual fund trust established under the laws of Ontario.
6. The Continuing Fund is a separate class of shares of the Ninepoint Corporate Class Inc. (the **Corporation**), a mutual fund corporation governed under the laws of Ontario.
7. Securities of the Terminating Fund and the Continuing Fund are currently qualified for sale under a simplified prospectus, annual information form and fund facts dated April 21, 2020 (collectively, the **Offering Documents**), as amended on May 27, 2020 to reflect the Merger and the proposed investment objective change.
8. Each of the Funds is a reporting issuer under the applicable securities legislation of the Canadian Jurisdictions.
9. The Funds are not in default of any requirement of securities legislation in any of the Canadian Jurisdictions.
10. Other than circumstances in which the securities regulatory authority of a province or territory of Canada has expressly exempted a Fund therefrom, each of the Funds follows the standard investment restrictions and practices established under NI 81-102.
11. The net asset value for each series of the Funds is calculated on a daily basis in accordance with the Funds' valuation policy and as described in the Offering Documents.
12. Subject to obtaining approval of the securityholders of the Continuing Fund in respect of a proposed change to the investment objective, the investment objective and name of the Continuing Fund will be changed on or about the effective date of the Merger. The new fund name is expected to be Ninepoint Risk Advantaged U.S. Equity Index Class.

Reason for Approval Sought

13. The Approval Sought is required because the Merger does not satisfy all of the criteria for pre-approved reorganizations and transfers set out in section 5.6 of NI 81-102. The pre-approval criteria are not satisfied in the following ways:
 - (a) the current and proposed fundamental objectives of the Continuing Fund are, or may not be considered to be "substantially similar" to the investment objectives of the Terminating Fund;
 - (b) the fee structure of the Continuing Fund may not be considered to be "substantially similar" to the fee structure of the Terminating Fund; and
 - (c) the Merger will not be completed as a "qualifying exchange" under the *Income Tax Act* (Canada) (the **Tax Act**).
14. The investment objectives of the Terminating Fund and the Continuing Fund, and the proposed investment objectives of the Continuing Fund are as follows:

Terminating Fund	Continuing Fund	
Investment Objective	Current Investment Objective	Proposed Investment Objective
The investment objective of Ninepoint Enhanced Balanced Fund is to achieve long-term capital growth and current income. The Fund invests primarily in Canadian equities, fixed-income securities of Canadian issuers, and foreign equities and foreign fixed-income securities.	The investment objective of Ninepoint Enhanced Equity Class is to achieve long-term capital growth by investing primarily in Canadian and U.S. equity securities.	The Fund's investment objective is to obtain exposure to the performance of the S&P 500 Index, or a successor or replacement index (the "Index") and through the use of option strategies seek to moderate the volatility of that performance.

15. As a result of the Merger, securityholders of the Terminating Fund will receive securities of the Continuing Fund that have a management fee that is 0.05% higher than the management fee charged in respect of their securities of the Terminating Fund.
16. The Merger will be effected on a taxable basis because the Manager determined that less than 25% of securityholders of the Terminating Fund are expected to be in an unrealized gain position at the time of the Merger. In addition, for most of these securityholders, the Manager has determined that the resultant tax payable as a result of the Merger will be minimal. The Manager further determined that the cost to proceed with a s.85 rollover transaction in effecting the Merger would be unwarranted given the minimal impact on securityholders to complete the Merger on a tax deferred basis.
17. Except as described in this decision, the proposed Merger complies with all of the other criteria for pre-approved reorganizations and transfers set out in section 5.6 of NI 81-102.

The Proposed Merger

18. The Filer intends to reorganize by merging the Terminating Fund into the Continuing Fund such that securityholders of the Terminating Fund will become securityholders of the Continuing Fund.
19. Securityholders of the Terminating Fund will continue to have the right to redeem securities of the Terminating Fund at any time up to the close of business on the business day immediately before the effective date of the Merger.
20. No sales charges will be payable by securityholders of the Terminating Fund in connection with the Merger.
21. Securities of the Terminating Fund and the Continuing Fund are, and are expected to continue to be at all material times, "qualified investments" under the Tax Act for registered retirement savings plans, registered retirement income funds, deferred profit sharing plans, registered education savings plans, registered disability savings plans and tax free savings accounts.
22. As required by National Instrument 81-107 *Independent Review Committee for Investment Funds*, an Independent Review Committee (the **IRC**) has been appointed for the Funds. The Filer presented the potential conflict of interest matters related to the Merger to the IRC for its recommendation. The IRC reviewed the potential conflict of interest matters related to the Merger and on May 20, 2020, provided its positive decision after determining that the Merger, if implemented, would achieve a fair and reasonable result for each Fund.
23. In accordance with National Instrument 81-106 *Investment Fund Continuous Disclosure*, a press release announcing the proposed Merger was issued and filed by the Terminating Fund via SEDAR on May 25, 2020. A material change report with respect to the proposed Merger was filed via SEDAR on May 25, 2020.
24. The Filer has concluded that the Merger will not be a "material change" for the Continuing Fund.
25. A notice of meeting, a management information circular, a proxy and fund facts documents for the Continuing Fund in connection with special meetings of securityholders were mailed to securityholders of the Terminating Fund on June 26, 2020 and concurrently filed via SEDAR. The fund facts document mailed to securityholders of the Terminating Fund included a description of the proposed investment objective change of the Continuing Fund.
26. Securityholders of the Terminating Fund will be asked to approve the Merger at a special meeting to be held on or about July 20, 2020. Securityholders of the Terminating Fund holding Series T and Series FT units will be asked to

approve the Merger separately as a class at the special meeting because following the Merger such holders will receive shares of the Continuing Fund that do not have a fixed monthly distribution, unlike their units of the Terminating Fund.

27. The Filer will pay for the costs of the Merger. These costs consist mainly of brokerage charges associated with the merger-related trades that occur both before and after the effective date of the Merger, and legal, proxy solicitation, printing, mailing and regulatory fees.
28. On or about the effective date of the Merger, the Continuing Fund proposes to redesignate certain series of its shares whereby Series A1 and Series T shares will be redesignated as Series A shares and Series F1 and Series FT shares will be redesignated as Series F shares. Securityholders of the Terminating Fund will receive securities of the equivalent series of the applicable Continuing Fund as they currently own in the Terminating Fund, with the exception of Series A1 and Series T securityholders, who will receive Series A shares and Series F1 and Series FT securityholders who will receive Series F shares of the Continuing Fund, on the effective date of the Merger. Securityholders that purchased securities of the Terminating Fund under the initial sales charge option or that were not subject to a sales charge will receive securities of the Continuing Fund that are not subject to a deferred sales charge. Securityholders that purchased securities of the Terminating Fund under the low load purchase option will receive securities of the Continuing Fund that are not subject to any deferred sales charges because the Continuing Fund will no longer offer a low load deferred sales charge option on the effective date of the Merger. No deferred sales charge will be applied to redemptions of securities of the Continuing Fund occurring after the Merger.
29. The Merger has been approved by the board of directors of each of the Filer and the Corporation.
30. If all required approvals for the Merger are obtained, it is intended that the Merger will occur on or about the close of business on July 29, 2020 (the **Effective Date**). The Filer therefore anticipates that each securityholder of the Terminating Fund will become a securityholder of the Continuing Fund after the close of business on the Effective Date.
31. The tax implications of the Merger, differences between being a securityholder of mutual fund corporation and a securityholder of a mutual fund trust, differences between the investment objectives as well as the differences between the fee structures of the Terminating Fund and the Continuing Fund and the IRC's recommendation of the Merger are described in the management information circular so that the securityholders of the Terminating Fund can consider this information before voting on the Merger. The meeting materials will also describe the various ways in which investors can obtain a copy of the simplified prospectus, annual information form and fund facts document(s) for the Continuing Fund and its most recent interim and annual financial statements and management reports of fund performance.
32. In light of the disclosure in the management information circular, securityholders of the Terminating Fund have all the information necessary to determine whether the proposed Merger is appropriate for them.

Merger Steps

33. The proposed merger of the Terminating Fund into the Continuing Fund will be structured as follows:
 - (a) Prior to effecting the Merger, the Terminating Fund will liquidate a portion of the securities in its portfolio. As a result, the Terminating Fund will temporarily hold cash or money market instruments and may not be fully invested in accordance with its investment objectives for a brief period of time prior to the Merger being effected.
 - (b) The value of the Terminating Fund's investment portfolio and other assets will be determined at the close of business on the business day prior to the effective date of the Merger in accordance with the constating documents of the Terminating Fund.
 - (c) The Corporation will acquire the investment portfolio and other assets of the Terminating Fund in consideration for securities of the Continuing Fund in such series as is required to effect the series exchange as set forth in the table below.
 - (d) The Corporation will not assume any liabilities of the Terminating Fund and the Terminating Fund will retain sufficient assets to satisfy its estimated liabilities, if any, as of the effective date of the Merger.
 - (e) The Terminating Fund will distribute a sufficient amount of its net income and net realized capital gains, if any, to securityholders to ensure that the Terminating Fund will not be subject to tax for its current tax year.
 - (f) Immediately thereafter, securities of the Continuing Fund received by the Terminating Fund will be distributed to securityholders of the Terminating Fund in exchange for their securities in the Terminating Fund on a dollar-for-dollar basis, as applicable and in accordance with the following series exchange chart:

Terminating Fund	Continuing Fund
Series A, Series A1, Series T	Series A
Series F, Series F1, Series FT	Series F
Series D	Series D

- (g) The securities of the Continuing Fund received by the Terminating Fund will have an aggregate net asset value equal to the value of the portfolio assets and other assets that the Continuing Fund is acquiring from the Terminating Fund, and the securities of the Continuing Fund will be issued at the applicable series net asset value per security as of the close of business on the business day prior to the effective date of the Merger.
- (h) As soon as reasonably possible following the Merger, and in any case within 60 days following the effective date of the Merger, the Terminating Fund will be wound up.

Benefits of the Merger

34. The Filer believes that the Merger is beneficial to securityholders of each Fund for the following reasons:
- (a) the Merger will result in a more streamlined and simplified product line-up that is easier for investors to understand;
 - (b) there is overlap between the portfolio holdings of the Terminating Fund and the portfolio holdings of the Continuing Fund, and thus the Merger will contribute towards reducing duplication and redundancy across the fund line-up;
 - (c) the Merger provides securityholders of the Terminating Fund with options to (a) switch to another investment, (b) redeem their investment, and (c) maintain an investment with the Filer in the Continuing Fund without having to initiate a switch with the advisor, which provides the securityholders of the Terminating Fund with flexibility, convenience and potential cost savings;
 - (d) the Merger will eliminate the administrative and regulatory costs of operating each of the Terminating Fund and Continuing Fund as separate funds;
 - (e) following the Merger, the Continuing Fund will have a portfolio of greater value, which may allow for increased portfolio diversification opportunities if desired;
 - (f) the Continuing Fund, as a result of its greater size, may benefit from its larger profile in the marketplace;
 - (g) in completing the Merger on a taxable basis, less than 25% of securityholders of the Terminating Fund will be in an unrealized gain position which will require the payment of tax on disposition of their securities of the Terminating Fund in exchange for securities of the Continuing Fund;
 - (h) the Continuing Fund, as a result of its greater size, may benefit from a lower MER compared to the MER of the Terminating Fund, despite the Terminating Fund having a 0.05% higher management for the equivalent series as compared to the Terminating Fund.

Decision

The principal regulator is satisfied that the decision meets the test set out in the Legislation for the principal regulator to make the decision.

The decision of the principal regulator under the Legislation is that the Approval Sought is granted with respect to the Merger, provided that the Filer obtains the prior approval of the securityholders of the Terminating Fund for the Merger at a special meeting held for that purpose.

“Darren McKall”
 Manager
 Investment Funds and Structured Products Branch
ONTARIO SECURITIES COMMISSION

2.2 Orders

2.2.1 Novelion Therapeutics Inc.

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – The securities of the issuer are beneficially owned by more than 50 persons and are not traded through any exchange or market – The issuer is in the process of winding up; the issuer has distributed almost all of its assets to shareholders; the issuer has ceased all commercial activity and will be dissolved after the liquidation process is complete; shareholders voted to approve the liquidation plan and were notified of the issuer's intention to file an application to cease to report; the issuer has undertaken to provide shareholders with alternative disclosure and to notify the securities regulator if they commence an active business and no longer intend to dissolve.

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., s. 1(10)(a)(ii).

June 30, 2020

**IN THE MATTER OF
THE SECURITIES LEGISLATION OF
BRITISH COLUMBIA
AND
ONTARIO
(the Jurisdictions)**

AND

**IN THE MATTER OF
THE PROCESS FOR CEASE TO BE
A REPORTING ISSUER APPLICATIONS**

AND

**IN THE MATTER OF
NOVELION THERAPEUTICS INC.
(the Filer)**

ORDER

Background

¶ 1 The securities regulatory authority or regulator in each of the Jurisdictions (Decision Maker) has received an application from the Filer for an order under the securities legislation of the Jurisdictions (the Legislation) that the Filer has ceased to be a reporting issuer in all jurisdictions of Canada in which it is a reporting issuer (the Order Sought).

Under the Process for Cease to be a Reporting Issuer Applications (for a dual application):

- (a) the British Columbia Securities Commission is the principal regulator for this application,
- (b) the Filer has provided notice that subsection 4C.5(1) of Multilateral Instrument 11-102 *Passport System* (MI 11-102) is intended to be relied upon in Alberta, Saskatchewan, Manitoba, Quebec, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland and Labrador, and
- (c) this order is the order of the principal regulator and evidences the decision of the securities regulatory authority or regulator in Ontario.

Interpretation

¶ 2 Terms defined in National Instrument 14-101 *Definitions* and MI 11-102 have the same meaning if used in this order, unless otherwise defined.

Representations

- ¶ 3 This order is based on the following facts represented by the Filer:
1. the Filer is a company existing under the *Business Corporations Act* (British Columbia) (BCBCA) with its registered and records office located in British Columbia;
 2. the Filer is a reporting issuer in the provinces of Alberta, British Columbia, Saskatchewan, Manitoba, Ontario, Quebec, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland and Labrador;
 3. as of January 16, 2020, the Filer had approximately 19,671,365 common shares issued and outstanding (the Shares); the Shares are the only outstanding securities of the Filer;
 4. the Shares were listed on the Toronto Stock Exchange until May 3, 2017 as a result of the Filer's request to voluntarily delist, and were listed on Nasdaq Stock Market LLC (NASDAQ) until October 9, 2019 when the Shares were delisted from NASDAQ for failing to meet NASDAQ's continued listing requirements; the Shares no longer trade on any exchange, but were quoted on the OTCQX, OTCBB or "Pink" markets since October 9, 2019 through no action of its own; FINRA subsequently confirmed that the trading symbol belonging to the Filer has been eliminated on January 17, 2020;
 5. as of the record date for its Shareholder Meeting (defined below), the Filer had approximately 1,080 registered and over 8,400 beneficial holders of Shares;
 6. on May 20, 2019, the Filer and its wholly owned subsidiary and certain other parties entered into a restructuring support agreement under which a third party acquired the Filer's reorganized subsidiary (the Recapitalization Transaction);
 7. as disclosed in the Filer's press release of August 12, 2019, due to the need to deconsolidate the Filer's financial statements from those of its subsidiary as a result of the Recapitalization Transaction, the Filer was not able to complete the preparation of its Quarterly Report on Form 10-Q for the quarter ended June 30, 2019 or in respect of subsequent quarters in a timely manner (collectively, the Deconsolidated Quarterly Reports);
 8. as a result of the delay in filing the first Deconsolidated Quarterly Report, the British Columbia Securities Commission issued a general "failure to file" cease trade order (CTO) on August 20, 2019 prohibiting the trading by any person of any securities of the Filer, subject to certain exceptions;
 9. the Filer has been unable to complete the preparation of the Deconsolidated Quarterly Reports, and does not expect to be able to complete such filings due to a number of factors;
 10. on September 11, 2019, September 25, 2019, October 3, 2019 and November 5, 2019, the Filer issued news releases announcing and describing the intention to wind-up the Filer under a court approved liquidation process and to distribute the remaining assets of the Filer;
 11. at a meeting of its shareholders held on November 5, 2019 (the Shareholder Meeting), 85% of the votes cast at the Shareholder Meeting approved:
 - (a) the voluntary liquidation and dissolution of the Filer under the BCBCA (the Liquidation);
 - (b) the liquidation plan to effect the Liquidation (the Liquidation Plan);
 - (c) one or more distributions to shareholders of any remaining property of the Filer under the Liquidation; and
 - (d) the appointment of Alvarez & Marsal Canada Inc. as the liquidator (the Liquidator);
 12. the management information circular for the Shareholder Meeting that was prepared and mailed to shareholders disclosed the Filer's expectations that, as part of the applications to be made to the BC Supreme Court in connection with the Liquidation, the Filer would make an application to cease to be a reporting issuer; in its news release dated November 21, 2019, the Filer provided notice to Canadian resident shareholders that it anticipated seeking relief from its Canadian and U.S. continuous disclosure requirements and would seek to cease to be a reporting issuer;
 13. on January 9, 2020, the Filer filed a statement of intent to liquidate with the British Columbia Registrar of Companies, with the effective date for the Liquidation of January 16, 2020 (the Effective Date);
 14. On January 9, 2020, the Supreme Court of British Columbia granted an order to direct that the Liquidation be carried out in accordance with the Liquidation Plan; the order (among other things):

- (a) affirms the appointment of the Liquidator;
 - (b) exempts the Filer from preparing and mailing any further financial statements or reports to its shareholders;
 - (c) relieves the Filer of any obligation to hold meetings of its shareholders;
15. on January 9, 2020, the court also granted an order establishing a process for the solicitation, determination and barring of claims against the Filer and its directors or officers;
16. the claims process that forms part of the Liquidation Plan has commenced and includes the provision of written notice of the commencement of the Liquidation and the claims process to all known creditors of the Filer; such notice has been published in major newspapers in Canada and the U.S. and has been sent by the Liquidator to known and potential creditors based on the Filer's books and records and notifications received from potential creditors, informing them of the Liquidation and stating that any liquidation claims must be filed with the Liquidator so that they were received by May 29, 2020 at 5:00 p.m. (Vancouver time), consistent with the time periods required under section 331 of the BCBCA;
17. concurrently with the Liquidator's appointment on the Effective Date, the sole remaining executive officer and employee of the Filer resigned from his positions, and the remaining 3 directors of the Filer resigned; the Filer does not currently have any directors or employees;
18. the Filer currently maintains no active business or operations in Canada or elsewhere; its assets consist primarily of American depository receipts representing approximately 12.49 million ordinary shares of Amryt Pharma plc.; in addition, the Filer holds certain limited royalty interests and equity interests in subsidiaries that carry on no active business and, aside from cash in an amount not exceeding US\$5,000, are not known to hold any material assets; as of May 29, 2020, the Liquidator, on behalf of the Filer, holds cash in its trust accounts of \$60,750.87 and US\$861,861.05;
19. subsequent to the Recapitalization Transaction and the approval of the Liquidation Plan by the Filer's shareholders at the Shareholder Meeting, the Filer's activities have been and will continue to be limited to the implementation of the Liquidation Plan;
20. as of the Effective Date and in accordance with the liquidation order, the Filer's transfer agent for the Shares closed the Filer's stock transfer books and has discontinued recording transfers without the explicit sanction of the Liquidator; the Liquidator does not foresee any circumstance in which it would permit the transfer of Shares of the Filer by the registered holders unless required to do so by court order;
21. only registered shareholders on the Filer's stock transfer books as of the Effective Date will be entitled to a pro-rata share of any distribution to shareholders in the Liquidation; notice of the foregoing was provided to the market in various press releases issued by the Filer in the weeks leading up to the Effective Date;
22. the BCBCA provides that when the Filer is dissolved, it ceases to exist for any purpose; shareholders' interests in the Shares will also accordingly cease to exist when the Filer is dissolved;
23. the Liquidator has posted and will continue to post information relating to the Liquidation on its website and to meet the obligations imposed on it under the BCBCA;
24. information that would have been disclosed in the Deconsolidated Quarterly Reports would not provide shareholders with any meaningful or material information; the information disclosed in the management information circular for the Shareholder Meeting and in the Filer's press releases have provided the Filer's shareholders with important and more pertinent information than what would be contained in the Deconsolidated Quarterly Reports or any subsequent interim or annual financial reports;
25. the Filer will satisfy all of its liabilities and distribute all of its assets, and intends to dissolve in accordance with the provisions of the BCBCA as approved by the shareholders of the Filer;
26. the Filer must complete a number of steps required by the Liquidation Plan, the BCBCA and the court orders that have been granted in respect of the Filer before it can dissolve, including completion of the court-approved claims process, the payment of claims of creditors and distribution to shareholders; the Filer anticipates that any liquidation distributions will be completed in the fourth quarter of 2020, subject to the resolution of claims and other ongoing administrative matters, including finalization of tax returns and related matters in Canada and the U.S.; the amount and timing of any distribution has not been determined;
27. the Filer has no intention to seek public financing by way of offering of securities;
28. the Filer has undertaken that:

- (a) it will, as soon as practicable following the receipt of the Order Sought, issue a news release advising shareholders:
 - (i) that it has ceased to be a reporting issuer; and
 - (ii) of the anticipated date of its dissolution and final distribution to shareholders;
 - (b) if the Filer has not dissolved on or before September 30, 2020, it will, on or about that date, issue a news release regarding the status of its liquidation and anticipated timing of its dissolution;
 - (c) if it has not dissolved by December 31, 2020, it will, on or about that date and thereafter on a quarterly basis until it dissolves, issue a news release regarding the status of its liquidation and anticipated timing of its dissolution;
 - (d) it will immediately notify the securities regulator of each of the Jurisdictions if at any time before its dissolution it proposes to:
 - (i) commence an active business or any commercial operations;
 - (ii) undertake a public or private offering of securities in any jurisdiction; or
 - (iii) file a Notice of Withdrawal under section 323 of the BCBCA; and
 - (e) as soon as practicable after the time of dissolution, the Filer will issue a news release confirming the dissolution.
29. the Filer is not an OTC reporting issuer under Multilateral Instrument 51-105 *Issuers Quoted in the U.S. Over-the-Counter Markets*;
30. no securities of the Filer, including debt securities, are traded in Canada or another country on a marketplace as defined in National Instrument 21-101 *Marketplace Operation* or any other facility for bringing together buyers and sellers of securities where trading data is publicly reported;
31. the Filer is not in default of securities legislation in any jurisdiction, other than (a) an obligation to file, on or before August 12, 2019, November 14, 2019 and May 15, 2020, its interim financial statements and its management discussion and analysis in respect of such statements for the period ended June 30, 2019, September 30, 2019 and March 31, 2020, respectively, as required under National Instrument 51-102 *Continuous Disclosure Obligations* (NI 51-102) and related certificates as required under National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings* (NI 52-109); and (b) an obligation to file, on or before March 30, 2020, its annual information form, its annual financial statements and its management discussion and analysis in respect of such statements for the period ended December 31, 2019, as required under NI 51-102 and related certificates as required under NI 52-109 (collectively, the Filings);
32. the Filer is not eligible to use the simplified procedure in section 19 of National Policy 11-206 *Process for Cease to be a Reporting Issuer Applications* as it has more than 51 securityholders worldwide and because the Filer is in default of filing the Filings;
33. the Filer is applying for the Order Sought from the securities regulatory authority or regulator in each of the jurisdictions in which it is a reporting issuer; and
34. the Filer, upon the grant of the Order Sought, will no longer be a reporting issuer in any jurisdiction of Canada.

Order

- ¶ 4 Each of the Decision Makers is satisfied that the order meets the test set out in the Legislation for the Decision Maker to make the order.

The decision of the Decision Makers under the Legislation is that the Order Sought is granted.

“John Hinze”
Director, Corporate Finance
British Columbia Securities Commission

2.2.2 Alio Gold Inc.

Headnote

National Policy 11-206 Process for Cease to be a Reporting Issuer Applications – The issuer ceased to be a reporting issuer under securities legislation.

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., s. 1(10)(a)(ii).

July 20, 2020

**IN THE MATTER OF
THE SECURITIES LEGISLATION OF
BRITISH COLUMBIA
AND
ONTARIO
(the Jurisdictions)**
AND
**IN THE MATTER OF
THE PROCESS FOR CEASE TO BE
A REPORTING ISSUER APPLICATIONS**
AND
**IN THE MATTER OF
ALIO GOLD INC.
(the Filer)**
ORDER

Background

¶ 1 The securities regulatory authority or regulator in each of the Jurisdictions (Decision Maker) has received an application from the Filer for an order under the securities legislation of the Jurisdictions (the Legislation) that the Filer has ceased to be a reporting issuer in all jurisdictions of Canada in which it is a reporting issuer (the Order Sought).

Under the Process for Cease to be a Reporting Issuer Applications (for a dual application):

- (a) the British Columbia Securities Commission is the principal regulator for this application,
- (b) the Filer has provided notice that subsection 4C.5(1) of Multilateral Instrument 11-102 *Passport System* (MI 11-102) is intended to be relied upon in Alberta, Saskatchewan, Manitoba, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland and Labrador, and

- (c) this order is the order of the principal regulator that evidences the decision of the securities regulatory authority or regulator in Ontario.

Interpretation

¶ 2 Terms defined in National Instrument 14-101 *Definitions* and MI 11-102 have the same meaning if used in this order, unless otherwise defined.

Representations

- ¶ 3 This order is based on the following facts represented by the Filer:
- 1. the Filer is not an OTC reporting issuer under Multilateral Instrument 51-105 *Issuers Quoted in the U.S. Over-the-Counter Markets*;
 - 2. the outstanding securities of the Filer, including debt securities, are beneficially owned, directly or indirectly, by fewer than 15 securityholders in each of the jurisdictions of Canada and fewer than 51 securityholders in total worldwide;
 - 3. no securities of the Filer, including debt securities, are traded in Canada or another country on a marketplace as defined in National Instrument 21-101 *Marketplace Operation* or any other facility for bringing together buyers and sellers of securities where trading data is publicly reported;
 - 4. the Filer is applying for an order that the Filer has ceased to be a reporting issuer in all of the jurisdictions of Canada in which it is a reporting issuer; and
 - 5. the Filer is not in default of securities legislation in any jurisdiction.

Order

¶ 4 Each of the Decision Makers is satisfied that the order meets the test set out in the Legislation for the Decision Maker to make the order.

The decision of the Decision Makers under the Legislation is that the Order Sought is granted.

“John Hinze”
Director, Corporate Finance
British Columbia Securities Commission

2.2.3 Goldenwise Capital Management Inc. – s. 60(1) of the CFA

IN THE MATTER OF
GOLDENWISE CAPITAL MANAGEMENT INC.

File No. 2020-22

Timothy Moseley, Vice-Chair
Wendy Berman, Vice-Chair

July 23, 2020

ORDER
(Subsection 60(1) of the
Commodity Futures Act, RSO 1990, c C.20 (the CFA))

WHEREAS Staff of the Ontario Securities Commission has filed an Application dated July 22, 2020, for an order suspending the registration of Goldenwise Capital Management Inc. (**Goldenwise**) as a commodity trading manager;

AND WHEREAS Goldenwise consents to this order and waives its right to a hearing of the Application;

ON READING the Application and the consent of Goldenwise dated July 21, 2020;

IT IS ORDERED THAT the registration of Goldenwise as a commodity trading manager under the CFA is suspended pursuant to s. 60(1)1 of the CFA.

“Timothy Moseley”

“Wendy Berman”

**IN THE MATTER OF
GOLDENWISE CAPITAL MANAGEMENT INC.**

**APPLICATION OF STAFF OF
THE ONTARIO SECURITIES COMMISSION**

(For consent suspension of a registered commodity trading manager
under *Commodity Futures Act*, R.S.O. 1990, c. C.20, s. 60(1))

A. ORDER SOUGHT

The Applicant, Staff of the Ontario Securities Commission ("Staff"), requests with notice, that the Ontario Securities Commission make the following orders:

1. An order waiving the requirements of the *Ontario Securities Commission Rules of Procedure and Forms* (the "Rules") and *Practice Guideline* in respect of this application;
2. An order directing that this application be heard in writing;
3. An order suspending the registration of Goldenwise Capital Management Inc. ("Goldenwise") as a commodity trading manager under the *Commodity Futures Act*, R.S.O. 1990, c. C.20 (the "CFA").

B. GROUNDS FOR THE APPLICATION

The grounds for the application are:

1. Goldenwise is registered as a commodity trading manager under the CFA, and as a portfolio manager under the *Securities Act*, R.S.O. 1990, c. S.5 (the "SA"), and the firm has applied to surrender both categories of registration.
2. The Compliance and Registrant Regulation Branch's ("CRR's") normal procedure for handling a surrender application under the SA is for the Director to suspend the firm's registration, and then for Staff to process the application by ensuring that the surrender requirements in s. 30(1) of the SA have been satisfied. Goldenwise's registration under the SA has been suspended.
3. Because the authority to suspend registration under the CFA has not been delegated to the Director (as it has under the SA), the present application to the Commission is required to suspend Goldenwise's registration as a commodity trading manager while CRR processes that portion of the surrender application.
4. Goldenwise, through its CEO and ultimate designated person, Huakun Ding, has consented to the suspension of its registration under the CFA, and has waived its right to a hearing or to otherwise be heard in respect of the suspension of its registration.
5. Pursuant to s. 60(1)1 of the CFA, the Commission may suspend the registration of a person or company under Ontario commodity futures law if, in its opinion, it is in the public interest to do so.
6. Subsection 60(3) of the CFA states: "[n]o order shall be made under this section without a hearing, subject to section 4 of the *Statutory Powers Procedure Act*." Subsection 4(1) of the *Statutory Powers Procedure Act*, R.S.O. 1990, c. S.22 provides that "[a]ny procedural requirement of this Act, or of another Act or a regulation that applies to a proceeding, may be waived with the consent of the parties and the tribunal."
7. Rule 1 of the Rules states: "The objective of these Rules is to ensure that Commission proceedings are conducted in a just, expeditious and cost-effective manner."
8. Rule 3 of the Rules states: "A Panel may waive any of these Rules at any time on such terms, if any, as it considers appropriate, to further the objective set out in Rule 1."
9. Pursuant to Rule 23(3) of the *Ontario Securities Commission Rules of Procedure and Forms*, "the Panel may order that a hearing be conducted as a written hearing if ... the Panel is satisfied that there is good reason to conduct the hearing as a written hearing."

C. EVIDENCE

The Applicant, Staff, intends to rely on the following evidence for the application:

1. The written consent to suspension signed on behalf of Goldenwise and dated July 21, 2020.

DATED this 22nd day of July, 2020.

**STAFF OF THE ONTARIO
SECURITIES COMMISSION**
20 Queen Street West
Toronto, Ontario
M5H 3S8

Mark Skuce (LSO 49128E)
Senior Legal Counsel
Compliance and
Registrant Regulation
Tel.: 647-278-9305
Email: mskuce@osc.gov.on.ca

2.2.4 Paramount Equity Financial Corporation et al.

IN THE MATTER OF
PARAMOUNT EQUITY FINANCIAL CORPORATION,
SILVERFERN SECURED MORTGAGE FUND,
SILVERFERN SECURED MORTGAGE LIMITED
PARTNERSHIP,
GTA PRIVATE CAPITAL INCOME FUND,
GTA PRIVATE CAPITAL INCOME LIMITED
PARTNERSHIP,
SILVERFERN GP INC.,
TRILOGY MORTGAGE GROUP INC.,
MARC RUTTENBERG,
RONALD BRADLEY BURDON and
MATTHEW LAVERTY

File No. 2019-12

Timothy Moseley, Vice-Chair and Chair of the Panel
Garnet W. Fenn, Commissioner
Heather Zordel, Commissioner

July 27, 2020

ORDER

WHEREAS the Ontario Securities Commission has concluded the evidentiary portion of the hearing with respect to the merits of the allegations contained in the Statement of Allegations filed by Staff of the Commission in this proceeding;

ON HEARING the submissions of Staff, and of Matthew Laverty, appearing on his own behalf;

IT IS ORDERED THAT:

1. Staff of the Commission shall serve and file written submissions regarding the hearing on the merits on or before September 3, 2020; and
2. a further attendance in this proceeding is scheduled for September 11, 2020, at 9:00 a.m. by teleconference, or such other date and time as provided by the Office of the Secretary and agreed to by the parties.

"Timothy Moseley"

"Garnet W. Fenn"

"Heather Zordel"

2.2.5 Joseph Debus

IN THE MATTER OF
JOSEPH DEBUS

File No. 2019-16

M. Cecilia Williams, Commissioner and Chair of the Panel

July 28, 2020

ORDER

WHEREAS the Ontario Securities Commission (the **Commission**) has considered a written request by Joseph Debus (**Debus**) for an extension of time to serve and file reply written submissions, and for an adjournment of the Hearing and Review, previously set by order of the Commission issued May 8, 2020;

ON READING the submissions of the representative of Debus, Staff of the Investment Industry Regulatory Organization of Canada (**IIROC**) and Staff of the Commission taking no position;

IT IS ORDERED, for reasons to follow, that:

1. the medical note filed by Debus is marked as confidential, pursuant to subsection 2(2) of the *Tribunal Adjudicative Records Act, 2019*, SO 2019, c 7 and Rule 22(4) of the Commission *Rules of Procedure and Forms*;
2. Debus shall serve and file reply written submissions, if any, by no later than September 22, 2020; and
3. the hearing of the Application will be held by videoconference on September 29, 2020 and shall continue on September 30, 2020, commencing at 10:00 a.m. on each scheduled day, or on such other dates or times as may be agreed to by the parties and set by the Office of the Secretary.

"M. Cecilia Williams"

2.4 Rulings

2.4.1 CalRock Brokers Inc. – s. 38 of the CFA and s. 6.1 of Rule 91-502 Trades in Recognized Options

Headnote

Application for a ruling pursuant to section 38 of the Commodity Futures Act granting relief from the dealer registration requirement set out in section 22 of the CFA and the trading restrictions in section 33 of the CFA in connection with certain trades in Exchange-Traded Futures on Non-Canadian Exchanges where the Applicant is acting as principal or agent in such trades to, from or on behalf of Permitted Clients – relief subject to sunset clause.

Application to the Director for an exemption, pursuant to section 6.1 of OSC Rule 91-502 Trades in Recognized Options (Rule 91-502), exempting the Applicant and its Representatives from the proficiency requirements in section 3.1 of Rule 91-502 for trades in commodity futures options on exchanges located outside Canada.

Statutes Cited

Commodity Futures Act, R.S.O. 1990, c. C.20. as am., ss. 22, 38.

Rules Cited

Ontario Securities Commission Rule 91-502 Trades in Recognized Options, ss. 3.1, 6.1.

July 10, 2020

**IN THE MATTER OF
THE COMMODITY FUTURES ACT,
R.S.O. 1990, c. C.20,
AS AMENDED
(the CFA)**

AND

**IN THE MATTER OF
THE SECURITIES ACT,
R.S.O. 1990, c. S.5,
AS AMENDED
(the OSA)**

AND

**IN THE MATTER OF
ONTARIO SECURITIES COMMISSION RULE 91-502
TRADES IN RECOGNIZED OPTIONS
(Rule 91-502)**

AND

**IN THE MATTER OF
CALROCK BROKERS INC.**

**RULING & EXEMPTION
(Section 38 of the CFA and Section 6.1 of Rule 91-502)**

UPON the application (the **Application**) of CalRock Brokers Inc. (**CalRock** or the **Applicant**) to the Ontario Securities Commission (the **Commission**) for:

- (a) a ruling of the Commission, pursuant to section 38 of the CFA, that trades by the Applicant in Exchange-Traded Futures, including Block Trades, on Non-Canadian Exchanges, where the Applicant is acting as agent in such trades to, from or on behalf of Permitted Clients, are not subject to the dealer registration requirement in the CFA or the trading restrictions in the CFA;

- (b) a ruling of the Commission, pursuant to section 38 of the CFA, that trades by a Permitted Client in Exchange-Traded Futures on Non-Canadian Exchanges, where the Applicant acts in respect of such trades on behalf of the Permitted Client pursuant to the above ruling, are not subject to the dealer registration requirement in the CFA or the trading restrictions in the CFA in connection with trades; and
- (c) a decision of the Director, pursuant to section 6.1 of Rule 91-502, exempting the Applicant and its Representatives from section 3.1 of Rule 91-502 in connection with trades in Exchange-Traded Futures

(collectively, the **Requested Relief**);

AND WHEREAS for the purposes of this ruling and exemption (collectively, the Decision):

- (a) The following terms shall have the following meanings:
 - (i) **“Block Trade”** means a trade in a large quantity of Exchange-Traded Futures entered into between ECPs (in this case, via an introducing broker) pursuant to a privately negotiated transaction that, pursuant to the applicable rules of a Non-Canadian Exchange, are permitted to be executed on the Non-Canadian Exchange apart from the public auction market established by the Non-Canadian Exchange subject to meeting specified quantity thresholds (which are different large amounts depending on the particular Non-Canadian Exchange) and provided that the price of the trade is entered and reported on the Non-Canadian Exchange within a specified period of time following the trade;
 - (ii) **“CFTC”** means the U.S. Commodity Futures Trading Commission;
 - (iii) **“dealer registration requirement in the CFA”** means the provisions of section 22 of the CFA that prohibit a person or company from trading in Exchange-Traded Futures unless the person or company satisfies the applicable provisions of section 22 of the CFA;
 - (iv) **“ECP”** means an eligible contract participant as that term is defined in the U.S. *Commodity Exchange Act*;
 - (v) **“Exchange-Traded Futures”** means commodity futures contracts or commodity futures options that trade on one or more organized exchanges located outside of Canada and that are cleared through one or more clearing corporations located outside of Canada;
 - (vi) **“FCAA”** means the Financial and Consumer Affairs Authority of Saskatchewan;
 - (vii) **“FCM”** means futures commission merchant;
 - (viii) **“FINRA”** means the Financial Industry Regulatory Authority in the U.S.;
 - (ix) **“Form 1-FR-IB”** means CFTC Form 1-FR-IB;
 - (x) **“GAAP”** means Generally Accepted Accounting Principles;
 - (xi) **“GAAS”** means Generally Accepted Audited Standards;
 - (xii) **“IFRS”** means International Financial Reporting Standards;
 - (xiii) **“NI 31-103”** means National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations*;
 - (xiv) **“NFA”** means the National Futures Association in the U.S.;
 - (xv) **“Non-Canadian Exchange”** means an exchange located outside of Canada;
 - (xvi) **“Permitted Client”** means a client in Ontario that is a 'permitted client' as that term is defined in section 1.1. of NI 31-103;
 - (xvii) **“Representatives”** means an Applicant's salespersons, directors, officers and employees;
 - (xviii) **“SEC”** means the U.S. Securities and Exchange Commission;

- (xix) “**specified affiliate**” has the meaning ascribed to that term in Form 33-109F6 *Firm Registration* to National Instrument 33-109 *Registration Information*;
 - (xx) “**trading restrictions in the CFA**” means the provisions of section 33 of the CFA that prohibit a person or company from trading in Exchange-Traded Futures unless the person or company satisfies the applicable provisions of section 33 of the CFA; and
 - (xxi) “**U.S.**” means United States of America; and
- (b) Terms used in this Decision that are defined in the OSA, and not otherwise defined in this Decision or in the CFA, shall have the same meaning as in the OSA, unless the context otherwise requires;

AND UPON considering the Application and the recommendation of staff of the Commission;

AND UPON the Applicant having represented to the Commission and the Director as follows:

The Applicant

1. The Applicant is a corporation formed under the Province of Ontario. Its registered office is located at 300-5th Ave SW, Suite 1000, Calgary, Alberta.
2. The Applicant is a wholly-owned indirect subsidiary of Intercontinental Exchange, Inc. (**ICE**). ICE operates a leading network of global futures, equity and equity options exchanges, as well as global clearing and data services across financial and commodity markets.
3. The principal business of the Applicant is providing:
 - a. commodity brokerage services that match buyers and sellers of crude oil products and facilitate over-the-counter and trading in crude oil commodities to various large North American oil customers, marketers and midstream companies that qualify as ECPs.
 - b. brokering and trading of physical commodity contracts involving crude oil products and also brokers trading of physical and financially settled crude oil derivatives by voice and electronic trades offered on ICE Futures U.S. Inc. (a Non-Canadian Exchange for futures and options for certain commodities that is owned and operated by ICE).

Regulatory Status in Canada

4. The Applicant is not registered under the OSA or the CFA.
5. The Applicant is unable to rely on the exemption from the dealer registration requirement provided under section 6(b) of the Alberta Securities Commission Blanket Order 91-507 *Over-the-Counter Trades in Derivatives (Blanket Order 91-507)* because Blanket Order 91-507 does not apply to firms engaging in Block Trades. Accordingly, the Applicant has obtained registration as a restricted dealer in Alberta under the *Securities Act* (Alberta).
6. The Applicant is unable to rely on the exemption from the dealer registration requirement provided for under the General Order 91-908 *Over-the-Counter Derivatives (General Order 91-908)* because the General Order 91-908 does not apply to firms engaging in Block Trades. Accordingly, the Applicant has obtained registration as a restricted dealer in Saskatchewan under the *Securities Act* (Saskatchewan).
7. In Alberta and Saskatchewan, the Applicant has the following terms and conditions attached to its registration as a restricted dealer:
 - a. The Applicant may act as a dealer in the category of restricted dealer only with respect to futures contracts and options, including block trades in such futures contracts and options, listed on an exchange that is a Designated Contract Market overseen by the CFTC.
 - b. The Applicant must maintain in good standing (a) its registration as an Introducing Broker with the CFTC, and (b) its membership with the NFA.
 - c. All Canadian clients of the Applicant must be Permitted Clients.

- d. Each individual required to be registered as a dealing representative of the Applicant in accordance with section 2.1(1)(a) of NI 31-103 must be registered with the CFTC as an Associated Person and be an Associate Member of the NFA, and must maintain that registration and membership in good standing.
 - e. The Applicant must not maintain any client accounts or hold any cash or derivatives positions on behalf of any clients.
 - f. The Applicant must provide prompt notice to the Alberta Securities Commission and the FCAA of any instance of non-compliance with the requirements of the CFTC or NFA or of any regulatory action taken or known to be contemplated by the CFTC or NFA.
 - g. The Applicant must provide the Executive Director of the Alberta Securities Commission with such information as and when requested with respect to any derivatives trades brokered by the Applicant for an Alberta client. Similarly, the Applicant must provide the Director of the Securities Division of the FCAA with such information as and when requested with respect to any derivatives trades brokered by the Applicant for a Saskatchewan client.
8. Subject to the ruling and exemption requested, the Applicant is not in default of securities legislation or commodity futures legislation in any jurisdiction in Canada.

Registration in the U.S.

- 9. In order to provide these services, the Applicant is an approved member of and is regulated by the NFA and is registered as an "introducing broker" with the CFTC. The Applicant is not a broker-dealer registered with the SEC, is not a member of FINRA and does not conduct a securities business in the U.S.
- 10. The Applicant is a member of ICE Futures US, an exchange for futures and options for agricultural and energy commodities, equity indices, currencies, credit and precious metals that is owned and operated by ICE. ICE Futures US operates under an exemption from recognition as an exchange in the Canadian provinces of Ontario, Quebec and Alberta.
- 11. Pursuant to its registrations and memberships, the Applicant is authorized to act as an introducing broker in the U.S., to handle customer orders, to effect Block Trades and, if applicable, to introduce customers to an executing broker registered as a FCM. The rules of the CFTC and NFA require the Applicant to maintain adequate capital levels, make and keep specified types of records relating to customer accounts and transactions, and comply with other forms of customer protection rules, including rules respecting: know-your-customer obligations, client identification and account opening requirements, anti-money laundering checks, dealing and handling customer order obligations, including managing conflicts of interest and best execution rules. These rules require the Applicant to treat Permitted Clients consistently with the Applicant's U.S. customers with respect to transactions made on exchanges in the U.S. In respect of Exchange-Traded Futures, the Applicant does not provide direct execution, except to effect Block Trades, or clearing services and is not authorized to receive or hold client money in any jurisdiction.
- 12. Rules of the CFTC and NFA may require a registrant to file (i) on an annual basis, audited financial information prepared in accordance with IFRS or U.S. GAAP and U.S. GAAS; and (ii) for the six and twelve month period in each year, an unaudited Form 1-FR-IB prepared in accordance with IFRS or US GAAP.
- 13. The Applicant is in compliance in all material respects with U.S. securities and commodity futures laws.

The Applicant's Activities in Ontario

- 14. The Applicant offers Permitted Clients in Ontario the ability to trade in Exchange-Traded Futures through Block Trades, and in connection with such trades the Applicant acts as an introducing broker and effects trades in Exchange-Traded Futures, including Block Trades, on Non-Canadian Exchanges.
- 15. The Applicant solicits and will solicit trades in Exchange-Traded Futures only from those persons who qualify as Permitted Clients.
- 16. The Applicant offers and will only offer Permitted Clients the ability to effect trades in Exchange-Traded Futures on Non-Canadian Exchanges.
- 17. The Exchange-Traded Futures to be traded by Permitted Clients include, but are not limited to, Exchange-Traded Futures for crude oil products.

18. Permitted Clients are and will be able execute trades in Exchange-Traded Futures through the Applicant by contacting the Applicant's execution desk or arranging platform.
19. The Applicant handles the negotiation of the Exchange-Traded Futures, matches buyers and sellers, executes trades in Exchange-Traded Futures on behalf of Permitted Clients in Ontario in the same manner that it would carry out these activities on behalf of its Alberta and Saskatchewan clients, which are Permitted Clients, and U.S. clients, which are ECPs. The Applicant follows the same know-your-customer and order handling procedures that it follows in respect of its Alberta, Saskatchewan, and U.S. clients. Permitted Clients in Ontario will be afforded the benefits of compliance by the Applicant with the statutory and other requirements of the regulators (including the Alberta Securities Commission, the FCAA and the CFTC), self-regulatory organizations (including the NFA) and exchanges located in the U.S. Permitted Clients in Ontario will have the same contractual rights against the Applicant as Alberta, Saskatchewan and U.S. clients of the Applicant.
20. In transacting Block Trades for its customers, the Applicant, as the introducing broker, will match a buyer and a seller (both ECPs) in a privately negotiated trade of Exchange-Traded Futures. Pursuant to the rules of the applicable Non-Canadian Exchange, the trade is permitted to be executed apart from the public auction market established by the Non-Canadian Exchange. Once the terms of the trade are agreed upon between the buyer and the seller, the trade is submitted by the Applicant to the Non-Canadian Exchange to be publicly reported within the required time period for Block Trades. Once submitted to the Non-Canadian Exchange, the clearing and settlement process by and through the customer's FCM in accordance with the rules and customary practices of the exchange will commence independently of the Applicant's involvement in the transaction. Where the Applicant gives up trades, in no case will the Applicant enter into a give-up agreement with any executing broker registered as a FCM or clearing broker unless such firm (i) is registered with the applicable regulatory bodies in the jurisdiction in which it executes the trades in Exchange-Traded Futures, and (ii) is registered or has obtained an exemption from the dealer registration requirement in the CFA from the Commission. Additionally, the Applicant will not enter into any give-up agreement with any executing broker registered as a FCM or clearing broker located in the U.S., unless such firm is registered with the SEC and/or CFTC, as applicable, and is registered or has obtained an exemption from the dealer registration requirement in the CFA from the Commission.
21. In the case of a trade in Exchange-Traded Futures that is not a Block Trade involving a Permitted Client, the Applicant may perform introducing (as introducing broker) functions for trades in Exchange-Traded Futures. The executing broker will act to "give-up" the transacted trades to the Permitted Client's clearing broker.
22. Clearing brokers and executing brokers will be subject to the rules of the exchanges of which each is a member and any relevant regulatory requirements, including requirements under the CFA, as applicable. Where applicable, the Permitted Client, the executing broker and the Permitted Client's clearing broker will represent to the Applicant, in an industry-standard give-up agreement, that each will perform its obligations in accordance with applicable laws, governmental, regulatory, self-regulatory, exchange and clearing house rules and the customs and usages of the exchange or clearing house on which the relevant Permitted Client's Exchange-Traded Futures order will be executed and cleared. Where the Applicant gives up trades, the Applicant will not enter into a give-up agreement with any executing broker registered as a futures commission merchant or clearing broker unless such firm (i) is registered with the applicable regulatory bodies in the jurisdiction in which it executes Exchange-Traded Futures and (ii) is registered or has obtained an exemption from the dealer registration requirement in the CFA from the Commission. Additionally, the Applicant will not enter into any give-up agreement with any executing broker registered as a futures commission merchant or clearing broker located in the U.S., unless such firm is registered with the SEC and/or CFTC, as applicable, and is registered or has obtained an exemption from the dealer registration requirement in the CFA from the Commission.
23. As is customary for all trades in Exchange-Traded Futures, a clearing corporation appointed by the exchange or clearing division of the exchange is substituted as a universal counterparty on all trades in Exchange-Traded Futures for Permitted Client orders that are submitted to the exchange in the name of the recognized exchange member and clearing broker. A Permitted Client of the Applicant is responsible to its clearing broker for payment of daily mark-to-market variation margin and/or proper margin to carry open positions and the Permitted Client's clearing broker is in turn responsible to the clearing corporation/division for payment.
24. Permitted Clients will pay commissions for trades to the Applicant for its role as introducing broker and Permitted Clients will be responsible to pay any commissions to the executing brokers or clearing brokers directly, if applicable.

Relief Requested

25. The Applicant requires the Decision in order to offer its Permitted Clients in Ontario the ability to trade in Exchange-Traded Futures, including Block Trades, and in connection with such trades the Applicant would act as an introducing broker and effect trades in Exchange-Traded Futures, including Block Trades, on Non-Canadian Exchanges.

26. Absent this Decision, the trading restrictions in the CFA apply with respect to the Applicant's trades in Exchange-Traded Futures unless, among other things, an Exchange-Traded Future is traded on a recognized or registered commodity futures exchange and the form of the contract is approved by the Director. To date, no Non-Canadian Exchanges have been recognized or registered under the CFA.
27. Section 3.1 of Rule 91-502 states that any person who trades as agent in, or gives advice in respect of, a recognized option as defined in section 1.1 of Rule 91-502 is required to successfully complete the Canadian Options Course (which has been replaced by the Derivatives Fundamentals Course and the Options Licensing Course).
28. All Representatives of the Applicant who trade commodity futures and options for Permitted Clients have passed the National Commodity Futures Examination (Series 3), being the relevant futures and options proficiency examination, administered by FINRA.

AND UPON the Commission and Director being satisfied that it would not be prejudicial to the public interest to grant the ruling requested:

IT IS RULED pursuant to section 38 of the CFA that the Applicant is not subject to the dealer registration requirement in the CFA or the trading restrictions in the CFA in connection with trades in Exchange-Traded Futures where the Applicant is acting as agent in such trades to, from or on behalf of Permitted Clients provided that:

- (a) the Applicant will solicit trades in Exchange-Traded Futures in Ontario only in its capacity as agent and only from those persons who qualify as Permitted Clients;
- (b) the Applicant will confirm that the executing broker and clearing broker will be appropriately registered or exempt from registration under the CFA, in connection with the Permitted Client effecting trades in Exchange-Traded Futures; provided that these requirements will not apply in the context of a Block Trade if the Applicant does not know and cannot reasonably determine the identity of the executing broker or the clearing broker at the time of the trade and would not have an opportunity to obtain such representations or take such steps;
- (c) Permitted Clients of the Applicant will only be offered the ability to effect trades in Exchange-Traded Futures on Non-Canadian Exchanges;
- (d) if the Applicant is still registered with the Alberta Securities Commission or the FCAA at the time of the trading activity, the Applicant will treat Permitted Clients in Ontario consistently with the Applicant's Alberta and Saskatchewan customers with respect to transactions made on Non-Canadian Exchanges;
- (e) if, at the time trading activity is engaged in, the Applicant is still registered with the FCAA, the Applicant is in compliance with the terms and conditions of its restricted dealer registration, as may be amended from time to time;
- (f) at the time trading activity is engaged in, the Applicant:
 - (i) is registered with the Alberta Securities Commission and the Applicant is in compliance with the terms and conditions of its restricted dealer registration, as may be amended from time to time;
 - (ii) is registered in the category of introducing broker with the CFTC;
 - (iii) is a member firm of the NFA; and
 - (iv) engages in the business of an introducing broker in Exchange-Traded Futures in Alberta and the U.S.;
- (g) the Applicant has provided to the Permitted Client the following disclosure in writing:
 - (i) a statement that the Applicant is not registered in Ontario to trade in Exchange-Traded Futures as principal or agent;
 - (ii) a statement that the Applicant's head office or principal place of business is located in Calgary, Alberta;
 - (iii) a statement that all or substantially all of the Applicant's assets may be situated outside of Ontario;

- (iv) a statement that there may be difficulty enforcing legal rights against the Applicant because of the above; and
- (v) the name and address of the Applicant's agent for service of process in Ontario;
- (h) the Applicant has submitted to the Commission a completed *Submission to Jurisdiction and Appointment of Agent for Service* in the form attached as Appendix "A" hereto;
- (i) the Applicant notifies the Commission of any regulatory action initiated after the date of this ruling in respect of the Applicant, or any predecessors or specified affiliates of the Applicant, by completing and filing with the Commission Appendix "B" hereto within ten days of the commencement of any such action; provided that this condition shall not be required to be satisfied for so long as the Applicant remains a restricted dealer in good standing under Alberta securities law and in compliance with its obligation to file and update Form 33-109F6 *Firm Registration*;
- (j) the Applicant pays a participation fee based on its specified Ontario revenues for its previous financial year in compliance with the requirements of Part 3 and section 6.4 of OSC Rule 13-502 Fees as if the Applicant relied on the international dealer exemption in section 8.18 [*International Dealer*] of NI 31-103;
- (k) by December 1st of each year, the Applicant notifies the Commission of its continued reliance on the exemption from the dealer registration requirement granted pursuant to this Decision by filing Form 13-502F4 *Capital Markets Participation Fee Calculation*;
- (l) This Decision will terminate on the earliest of:
 - (i) surrender or termination of the Applicant's registration with the Alberta Securities Commission;
 - (ii) the expiry of any transition period as may be provided by law, after the effective date of the repeal of the CFA;
 - (iii) six months, or such other transition period as may be provided by law, after the coming into force of any amendment to Ontario commodity futures law (as defined in the CFA) or Ontario securities law (as defined in the OSA) that affects the dealer registration requirement in the CFA or the trading restrictions in the CFA; and
 - (iv) five years after the date of this Decision.

AND IT IS FURTHER RULED, pursuant to section 38 of the CFA, that a Permitted Client is not subject to the dealer registration requirement in the CFA or the trading restrictions in the CFA in connection with trades in Exchange-Traded Futures on Non-Canadian Exchanges where the Applicant acts in connection with trades in Exchange-Traded Futures on behalf of the Permitted Clients pursuant to the above ruling.

"Timothy Moseley"
Vice-Chair
Ontario Securities Commission

"Frances Kordyback"
Commissioner
Ontario Securities Commission

IT IS THE DECISION of the Director, pursuant to section 6.1 of Rule 91-502, that section 3.1 of Rule 91-502 does not apply to the Applicant and its Representatives in respect of trades in Exchange-Traded Futures, provided that:

- (a) the Applicant and its Representatives maintain their respective registrations with the CFTC and membership with the NFA which permit them to trade commodity futures options in the United States; and
- (b) this Decision will terminate on the earliest of:
 - (i) surrender or termination of the Applicant's registration with the Alberta Securities Commission;
 - (ii) the expiry of any transition period as may be provided by law, after the effective date of the repeal of the CFA;

Decisions, Orders and Rulings

- (iii) six months, or such other transition period as may be provided by law, after the coming into force of any amendment to Ontario commodity futures law (as defined in the CFA) or Ontario securities law (as defined in the OSA) that affects the dealer registration requirement in the CFA or the trading restrictions in the CFA; and
- (iv) five years after the date of this Decision.

“Dena Staikos”
Director
Compliance and Registrant Regulation Branch
Ontario Securities Commission

APPENDIX A

**SUBMISSION TO JURISDICTION AND APPOINTMENT OF AGENT FOR SERVICE
INTERNATIONAL DEALER OR INTERNATIONAL ADVISER EXEMPTED FROM REGISTRATION
UNDER THE *COMMODITY FUTURES ACT*, ONTARIO**

1. Name of person or company ("International Firm"):
2. If the International Firm was previously assigned an NRD number as a registered firm or an unregistered exempt international firm, provide the NRD number of the firm:
3. Jurisdiction of incorporation of the International Firm:
4. Head office address of the International Firm:
5. The name, e-mail address, phone number and fax number of the International Firm's individual(s) responsible for the supervisory procedure of the International Firm, its chief compliance officer, or equivalent.

Name:

E-mail address:

Phone:

Fax:
6. The International Firm is relying on an exemption order under section 38 or section 80 of the *Commodity Futures Act* (Ontario) that is similar to the following exemption in National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations* (the "Relief Order"):

 Section 8.18 [*international dealer*]

 Section 8.26 [*international adviser*]

 Other [specify]:
7. Name of agent for service of process (the "Agent for Service"):
8. Address for service of process on the Agent for Service:
9. The International Firm designates and appoints the Agent for Service at the address stated above as its agent upon whom may be served a notice, pleading, subpoena, summons or other process in any action, investigation or administrative, criminal, quasi-criminal or other proceeding (a "Proceeding") arising out of or relating to or concerning the International Firm's activities in the local jurisdiction and irrevocably waives any right to raise as a defence in any such proceeding any alleged lack of jurisdiction to bring such Proceeding.
10. The International Firm irrevocably and unconditionally submits to the non-exclusive jurisdiction of the judicial, quasi-judicial and administrative tribunals of the local jurisdiction in any Proceeding arising out of or related to or concerning the International Firm's activities in the local jurisdiction.
11. Until 6 years after the International Firm ceases to rely on the Relief Order, the International Firm must submit to the regulator
 - a. a new Submission to Jurisdiction and Appointment of Agent for Service in this form no later than the 30th day before the date this Submission to Jurisdiction and Appointment of Agent for Service is terminated;
 - b. an amended Submission to Jurisdiction and Appointment of Agent for Service no later than the 30th day before any change in the name or above address of the Agent for Service;
 - c. a notice detailing a change to any information submitted in this form, other than the name or above address of the Agent for Service, no later than the 30th day after the change.

Decisions, Orders and Rulings

12. This Submission to Jurisdiction and Appointment of Agent for Service is governed by and construed in accordance with the laws of the local jurisdiction.

Dated: _____

(Signature of the International Firm or authorized signatory)

(Name of signatory)

(Title of signatory)

Acceptance

The undersigned accepts the appointment as Agent for Service of _____ [*Insert name of International Firm*] under the terms and conditions of the foregoing Submission to Jurisdiction and Appointment of Agent for Service.

Dated: _____

(Signature of the Agent for Service or authorized signatory)

(Name of signatory)

(Title of signatory)

This form, and notice of a change to any information submitted in this form, is to be submitted through the Ontario Securities Commission's Electronic Filing Portal:

<https://www.osc.gov.on.ca/filings>

APPENDIX B

NOTICE OF REGULATORY ACTION¹

1. Has the firm, or any predecessors or specified affiliates of the firm, entered into a settlement agreement with any financial services regulator, securities or derivatives exchange, SRO or similar agreement with any financial services regulator, securities or derivatives exchange, SRO or similar organization?

Yes _____ No _____

If yes, provide the following information for each settlement agreement:

Name of entity
Regulator/organization
Date of settlement (yyyy/mm/dd)
Details of settlement
Jurisdiction

2. Has any financial services regulator, securities or derivatives exchange, SRO or similar organization:

	Yes	No
(a) Determined that the firm, or any predecessors or specified affiliates of the firm violated any securities regulations or any rules of a securities or derivatives exchange, SRO or similar organization?	_____	_____
(b) Determined that the firm, or any predecessors or specified affiliates of the firm made a false statement or omission?	_____	_____
(c) Issued a warning or requested an undertaking by the firm, or any predecessors or specified affiliates of the firm?	_____	_____
(d) Suspended or terminated any registration, licensing or membership of the firm, or any predecessors or specified affiliates of the firm?	_____	_____
(e) Imposed terms or conditions on any registration or membership of the firm, or predecessors or specified affiliates of the firm?	_____	_____
(f) Conducted a proceeding or investigation involving the firm, or any predecessors or specified affiliates of the firm?	_____	_____
(g) Issued an order (other than an exemption order) or a sanction to the firm, or any predecessors or specified affiliates of the firm for securities or derivatives-related activity (e.g. cease trade order)?	_____	_____

If yes, provide the following information for each action:

Name of entity	
Type of action	
Regulator/organization	
Date of action (yyyy/mm/dd)	Reason for action
Jurisdiction	

¹ Terms defined for the purposes of Form 33-506F6 *Firm Registration* to Ontario Securities Commission Rule 33-506 (*Commodity Futures Act*) *Registration Information* have the same meaning if used in this Appendix except that any reference to "firm" means the person or company relying on relief from the requirement to register as an adviser or dealer under the *Commodity Futures Act* (Ontario).

Decisions, Orders and Rulings

3. Is the firm aware of any ongoing investigation of which the firm or any of its specified affiliate is the subject?

Yes _____ No _____

If yes, provide the following information for each investigation:

Name of entity
Reason or purpose of investigation
Regulator/organization
Date investigation commenced (yyyy/mm/dd)
Jurisdiction

Name of firm:
Name of firm's authorized signing officer or partner
Title of firm's authorized signing officer or partner
Signature
Date (yyyy/mm/dd)

Witness

The witness must be a lawyer, notary public or commissioner of oaths.

Name of witness
Title of witness
Signature
Date (yyyy/mm/dd)

This form is to be submitted through the Ontario Securities Commission's Electronic Filing Portal:

<https://www.osc.gov.on.ca/filings>

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Chapter 4

Cease Trading Orders

4.1.1 Temporary, Permanent & Rescinding Issuer Cease Trading Orders

Company Name	Date of Temporary Order	Date of Hearing	Date of Permanent Order	Date of Lapse/Revoke
Royal Coal Corp.	May 3, 2012	May 15, 2020	May 15, 2020	July 27, 2020

Failure to File Cease Trade Orders

Company Name	Date of Order	Date of Revocation
Bellatrix Exploration Ltd.	July 22, 2020	
Braingrid Limited	July 22, 2020	
Calyx Ventures Inc.	July 21, 2020	
Cannabis One Holdings Inc.	July 7, 2020	July 21, 2020
Corsurex Resource Corp.	July 21, 2020	
Empower Clinics Inc.	July 21, 2020	
Feronia Inc.	July 22, 2020	
H-SOURCE HOLDINGS LTD.	July 21, 2020	
Hybrid Minerals Inc.	July 21, 2020	July 24, 2020
Liberty One Lithium Corp.	July 21, 2020	July 24, 2020
PPX Mining Corp.	May 20, 2020	July 27, 2020

4.2.1 Temporary, Permanent & Rescinding Management Cease Trading Orders

Company Name	Date of Order	Date of Lapse
THERE IS NOTHING TO REPORT THIS WEEK.		

4.2.2 Outstanding Management & Insider Cease Trading Orders

Company Name	Date of Order or Temporary Order	Date of Hearing	Date of Permanent Order	Date of Lapse/ Expire	Date of Issuer Temporary Order
Performance Sports Group Ltd.	19 October 2016	31 October 2016	31 October 2016		

Company Name	Date of Order	Date of Lapse
Imaging Dynamics Company Ltd.	17 June 2020	
RYU Apparel Inc.	17 June 2020	
SponsorsOne Inc.	22 June 2020	

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Chapter 7

Insider Reporting

This chapter is available in the print version of the OSC Bulletin, as well as as in Carswell's internet service SecuritiesSource (see www.carswell.com).

This chapter contains a weekly summary of insider transactions of Ontario reporting issuers in the System for Electronic Disclosure by Insiders (SEDI). The weekly summary contains insider transactions reported during the seven days ending Sunday at 11:59 pm.

To obtain Insider Reporting information, please visit the SEDI website (www.sedi.ca).

Chapter 11

IPOs, New Issues and Secondary Financings

INVESTMENT FUNDS

Issuer Name:

The Ether Fund
Principal Regulator - Ontario

Type and Date:

Preliminary Long Form Prospectus dated July 23, 2020
NP 11-202 Preliminary Receipt dated July 24, 2020

Offering Price and Description:

Maximum: US\$107,500,000 - 10,000,000 Class A Units
and/or Class F Units

Minimum: US\$10,750,000 - 1,000,000 Class A Units and/or
Class F Units

Price: US\$10.75 per Class A Unit and US\$10.53 per Class
F Unit

Underwriter(s) or Distributor(s):

N/A

Promoter(s):

3iQ Corp.

Project #3086427

Issuer Name:

Horizons ReSolve Adaptive Asset Allocation ETF
Principal Regulator – Ontario

Type and Date:

Preliminary Long Form Prospectus dated Jul 20, 2020
NP 11-202 Final Receipt dated Jul 23, 2020

Offering Price and Description:

ETF Shares

Underwriter(s) or Distributor(s):

N/A

Promoter(s):

N/A

Project #3074269

Issuer Name:

Waratah Alternative Equity Income Fund
Principal Regulator – Ontario

Type and Date:

Combined Preliminary and Pro Forma Simplified
Prospectus dated Jul 20, 2020

NP 11-202 Final Receipt dated Jul 21, 2020

Offering Price and Description:

Class F Units, Class I Units and Class F\$U.S. Units

Underwriter(s) or Distributor(s):

N/A

Promoter(s):

N/A

Project #3075841

Issuer Name:

The McElvaine Investment Trust
Principal Regulator – British Columbia

Type and Date:

Combined Preliminary and Pro Forma Simplified
Prospectus dated Jul 23, 2020

NP 11-202 Final Receipt dated Jul 24, 2020

Offering Price and Description:

Series B Units, Series A Units, Series D Units and Series F
Units

Underwriter(s) or Distributor(s):

N/A

Promoter(s):

N/A

Project #3071158

Issuer Name:

Vanguard Retirement Income ETF Portfolio
Principal Regulator – Ontario

Type and Date:

Preliminary Long Form Prospectus dated Jul 20, 2020
NP 11-202 Preliminary Receipt dated Jul 21, 2020

Offering Price and Description:

Units

Underwriter(s) or Distributor(s):

N/A

Promoter(s):

N/A

Project #3085128

Issuer Name:

Franklin Mutual Global Discovery Fund II
Franklin Quotential Diversified Income Portfolio II
Franklin U.S. Monthly Income Fund II
Templeton Global Smaller Companies Fund II
Templeton Growth Fund
Templeton International Stock Fund II
Principal Regulator – Ontario

Type and Date:

Preliminary Simplified Prospectus dated Jul 24, 2020
NP 11-202 Preliminary Receipt dated Jul 24, 2020

Offering Price and Description:

Series T-Hedged Units, Series PT-USD Units, Series PA-Hedged Units, Series PFT Units, Series PF-Hedged Units, Series T-USD Units, Series F-Hedged Units, Series PF Units, Series O-Hedged Units, Series I Units, Series OT-Hedged Units, Series T Units, Series A Units, Series PAG Units, Series PT-Hedged Units, Series FT-Hedged Units, Series FT Units, Series O Units, Series PT Units, Series V Units, Series OT Units, Series PA Units, Series AG Units, Series A-Hedged Units and Series F Units

Underwriter(s) or Distributor(s):

N/A

Promoter(s):

N/A

Project #3086530

Issuer Name:

Guardian Directed Equity Path ETF
Guardian Directed Premium Yield ETF
Guardian i3 Global Quality Growth ETF
Guardian i3 Global REIT ETF
Guardian i3 US Quality Growth ETF
Principal Regulator – Ontario

Type and Date:

Preliminary Long Form Prospectus dated Jul 21, 2020
NP 11-202 Final Receipt dated Jul 22, 2020

Offering Price and Description:

Hedged Units and Unhedged Units

Underwriter(s) or Distributor(s):

N/A

Promoter(s):

N/A

Project #3069727

Issuer Name:

Fidelity Emerging Markets Equity Income Multi-Asset Base Fund
Principal Regulator – Ontario

Type and Date:

Preliminary Simplified Prospectus dated Jul 16, 2020
NP 11-202 Final Receipt dated Jul 21, 2020

Offering Price and Description:

Series O units

Underwriter(s) or Distributor(s):

N/A

Promoter(s):

N/A

Project #3070313

Issuer Name:

Sun Life Opportunistic Fixed Income Private Pool (formerly, Sun Life Opportunistic Fixed Income Fund)
Principal Regulator - Ontario

Type and Date:

Amended and Restated to Final Simplified Prospectus dated July 21, 2020

NP 11-202 Final Receipt dated Jul 27, 2020

Offering Price and Description:

Series A units, Series F units and Series I units

Underwriter(s) or Distributor(s):

N/A

Promoter(s):

N/A

Project #3046303

Issuer Name:

Yorkville International QVR Enhanced Protection Class
Principal Regulator - Ontario

Type and Date:

Amendment to Final Simplified Prospectus, Annual Information Form and Fund Facts (NI 81-101) dated

NP 11-202 Final Receipt dated Jul 27, 2020

Offering Price and Description:

Series A, Series F and Series O

Underwriter(s) or Distributor(s):

N/A

Promoter(s):

N/A

Project #3043356

Issuer Name:

Purpose Duration Hedged Real Estate Fund
Principal Regulator - Ontario

Type and Date:

Amendment #1 to Final Simplified Prospectus dated July 21, 2020

NP 11-202 Final Receipt dated Jul 24, 2020

Offering Price and Description:

ETF shares, Series A shares, Series D shares, Series F shares, Series I shares, Series XA shares and Series XF shares

Underwriter(s) or Distributor(s):

N/A

Promoter(s):

N/A

Project #3053465

Issuer Name:

CI First Asset High Interest Savings ETF
Principal Regulator - Ontario

Type and Date:

Amendment #1 to Final Simplified Prospectus dated July 20, 2020

NP 11-202 Final Receipt dated Jul 27, 2020

Offering Price and Description:

Common Units, Series A units, Series E units, Series F units, Series I units, Series O units and Series P units

Underwriter(s) or Distributor(s):

N/A

Promoter(s):

N/A

Project #3049999

Issuer Name:

NBI Canadian Index Fund
NBI U.S. Index Fund
NBI U.S. Currency Neutral Index Fund
NBI International Index Fund
NBI International Currency Neutral Index Fund
NBI Multiple Asset Class Private Portfolio
Principal Regulator - Quebec

Type and Date:

Amendment #1 to Final Simplified Prospectus dated July 21, 2020

NP 11-202 Final Receipt dated Jul 23, 2020

Offering Price and Description:

Advisor, F, F5, T5, R, Investor and O Series

Underwriter(s) or Distributor(s):

N/A

Promoter(s):

N/A

Project #3031758

NON-INVESTMENT FUNDS

Issuer Name:

CareRx Corporation (formerly Centric Health Corporation)
Principal Regulator - Ontario

Type and Date:

Preliminary Short Form Prospectus dated July 21, 2020
NP 11-202 Preliminary Receipt dated July 21, 2020

Offering Price and Description:

2,875,000 Common Shares upon exercise or deemed exercise of 57,500,000 Special Warrants

Underwriter(s) or Distributor(s):

BEACON SECURITIES LIMITED
CORMARK SECURITIES INC.
ECHELON WEALTH PARTNERS INC.

Promoter(s):

-

Project #3085412

Issuer Name:

Nextech AR Solutions Corp.
Principal Regulator - British Columbia

Type and Date:

Preliminary Short Form Prospectus dated July 23, 2020
NP 11-202 Preliminary Receipt dated July 23, 2020

Offering Price and Description:

[\$□] [□] Units
Price: \$[□] per Unit

Underwriter(s) or Distributor(s):

Mackie Research Capital Corporation

Promoter(s):

-

Project #3086172

Issuer Name:

Revival Gold Inc.
Principal Regulator - Ontario

Type and Date:

Preliminary Short Form Prospectus dated July 24, 2020
NP 11-202 Preliminary Receipt dated July 24, 2020

Offering Price and Description:

\$13,090,000.00 - 11,900,000 Units
PRICE: \$1.10 PER UNIT

Underwriter(s) or Distributor(s):

BMO NESBITT BURNS INC.

Promoter(s):

-

Project #3086360

Issuer Name:

Bank of Nova Scotia, The
Principal Regulator - Ontario

Type and Date:

Final Shelf Prospectus dated July 21, 2020
NP 11-202 Receipt dated July 21, 2020

Offering Price and Description:

\$15,000,000,000.00 - Senior Debt Securities (Unsubordinated Indebtedness), Subordinated Debt Securities (Subordinated Indebtedness), Preferred Shares, Common Shares

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #3079191

Issuer Name:

Crombie Real Estate Investment Trust
Principal Regulator - Nova Scotia

Type and Date:

Final Shelf Prospectus (NI 44-102) dated July 23, 2020
NP 11-202 Receipt dated July 23, 2020

Offering Price and Description:

\$1,000,000,000.00
Trust Units

Debt Securities

Warrants

Subscription Receipts

Units

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Project #3084227

Issuer Name:

Freeman Gold Corp. (formerly, Lodge Resources Inc.)
Principal Regulator - British Columbia

Type and Date:

Final Short Form Prospectus dated July 23, 2020
NP 11-202 Receipt dated July 23, 2020

Offering Price and Description:

\$9,000,000.00 - 18,000,000 Common Shares
Price: \$0.50 per Common Share

Underwriter(s) or Distributor(s):

Canaccord Genuity Corp.

Promoter(s):

-

Project #3076072

Issuer Name:

Goodfood Market Corp. (formerly Mira VII Acquisition Corp.)

Principal Regulator - Quebec

Type and Date:

Final Short Form Prospectus dated July 24, 2020

NP 11-202 Receipt dated July 24, 2020

Offering Price and Description:

\$35,017,400.00 - 5,788,000 Common Shares

Price: \$6.05 per Offered Share

Underwriter(s) or Distributor(s):

DESJARDINS SECURITIES INC.

STIFEL NICOLAUS CANADA INC.

NATIONAL BANK FINANCIAL INC.

SCOTIA CAPITAL INC.

RAYMOND JAMES LTD.

RBC DOMINION SECURITIES INC.

CANACCORD GENUITY CORP.

EIGHT CAPITAL

ACUMEN CAPITAL FINANCE PARTNERS LIMITED

Promoter(s):

-

Project #3083906

Issuer Name:

Idaho Champion Gold Mines Canada Inc. (formerly, GoldTrain Resources Inc.)

Principal Regulator - Ontario

Type and Date:

Final Short Form Prospectus dated July 24, 2020

NP 11-202 Receipt dated July 24, 2020

Offering Price and Description:

\$7,020,000.00 - 23,400,000 Units

Price: \$0.30 per Unit

Underwriter(s) or Distributor(s):

BEACON SECURITIES LIMITED

ECHELON WEALTH PARTNERS INC.

PI FINANCIAL CORP.

Promoter(s):

-

Project #3081340

Issuer Name:

Nevada Copper Corp.

Principal Regulator - British Columbia

Type and Date:

Final Short Form Prospectus dated July 22, 2020

NP 11-202 Receipt dated July 23, 2020

Offering Price and Description:

\$96,557,033.00 - 643,713,553 Units

Underwriter(s) or Distributor(s):

SCOTIA CAPITAL INC.

RBC DOMINION SECURITIES INC.

NATIONAL BANK FINANCIAL INC.

HAYWOOD SECURITIES INC.

Promoter(s):

-

Project #3082943

Issuer Name:

Rupert Resources Ltd.

Principal Regulator - Ontario

Type and Date:

Final Short Form Prospectus dated July 21, 2020

NP 11-202 Receipt dated July 21, 2020

Offering Price and Description:

C\$14,736,694.40 - 4,605,217 Common Shares

Price C\$3.20 per Offered Share

Underwriter(s) or Distributor(s):

BMO Nesbitt Burns Inc.

Promoter(s):

-

Project #3081001

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Chapter 12

Registrations

12.1.1 Registrants

Type	Company	Category of Registration	Effective Date
Name Change	From: Omega Securities Inc. To: Tradelogiq Markets Inc.	Investment Dealer	June 2, 2020
Voluntary Surrender	Soundvest Capital Management Ltd.	Portfolio Manager, Investment Fund Manager, and Exempt Market Dealer	July 21, 2020
Voluntary Surrender	H & H Securities Limited	Exempt Market Dealer	July 21, 2020
Voluntary Surrender	Excalibur Capital Management Inc.	Investment Fund Manager and Portfolio Manager	July 21, 2020
New Registration	Columbus Point LLP	Portfolio Manager	July 23, 2020
Voluntary Surrender	Bordeaux Capital Inc.	Exempt Market Dealer	July 7, 2020
New Registration	Nextgen Financial Planning Inc.	Portfolio Manager	July 23, 2020
New Registration	Euro Pacific Asset Management, LLC	Portfolio Manager and Exempt Market Dealer	July 24, 2020

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Chapter 13

SROs, Marketplaces, Clearing Agencies and Trade Repositories

13.1.1 Investment Industry Regulatory Organization of Canada (IIROC) – Changes to Harmonize and Streamline the Oversight of IIROC – OSC Notice

OSC NOTICE

INVESTMENT INDUSTRY REGULATORY ORGANIZATION OF CANADA (IIROC)

CHANGES TO HARMONIZE AND STREAMLINE THE OVERSIGHT OF IIROC

Staff of the Ontario Securities Commission (**Staff**) are publishing certain changes to the oversight of IIROC by the Recognizing Regulators.

A. Background

IIROC is the national self-regulatory organization (**SRO**) which oversees all investment dealers and trading activity on debt and equity marketplaces in Canada and thus, plays an important role in the security of investors and confidence in Canada's capital markets. IIROC is recognized by all provincial and territorial jurisdictions (collectively the Canadian Securities Administrators - **CSA**) pursuant to applicable legislation. All jurisdictions formally recognize IIROC through their respective recognition orders (**Recognition Orders**), which are largely harmonized. In addition, in order to coordinate the oversight of IIROC, the CSA has entered into a memorandum of understanding regarding oversight of IIROC (**MOU**).

Given the passage of time since the current Recognition Orders and MOU became effective, a CSA staff working group initiated a focused review with the purpose to only streamline and modernize the documents to better reflect current CSA expectations and oversight practices and to harmonize them with similar documents under review relating to the Mutual Fund Dealers Association of Canada (**MFDA**).

Therefore, changes will comprise of:

- Making certain amendments to the Recognition Orders in order to clarify the CSA's expectations and reduce IIROC's regulatory burden; and
- Concluding a new MOU that will modernize, streamline and harmonize certain sections of the MOU to better reflect current CSA oversight review practices.

Overall, the amendments are intended to:

- increase regulatory efficiency by streamlining and harmonizing the oversight regime for IIROC; and
- reduce regulatory burden.

The following documents, demonstrating the amendments, can be found on our website at www.osc.gov.on.ca:

- Amended and restated IIROC Recognition Order (blackline);
- Amended and restated IIROC Recognition Order (clean); and
- New proposed MOU.

A more detailed overview is included below.

B. Key Proposed Amendments to IIROC's Recognition Order

- The purposes for which IIROC may use monies derived from fines and settlement agreements have been clarified.

- The terms and conditions regarding the maintenance of IIROC's critical technology systems have been clarified.
- Several other minor changes have been made to clarify the CSA's expectations and/or reflect current oversight practice.

C. Key Details of the Proposed New MOU

- The new MOU better harmonizes the regime which the CSA has in place to govern oversight of IIROC and includes changes that will reduce regulatory burden and enhance efficiency.
- The sections of the MOU dealing with coordinated oversight reviews have been revised and harmonized to better reflect current oversight practices.
- The Joint Rule Review Protocols, appended to the MOU, have been revised and harmonized to better reflect current rule review practices.

D. Purpose of the Publication

The purpose of this publication is to inform the public of the amendments that Staff intend to finalize after August 29, 2020. If you have any questions or comments, they may be referred to:

Yuliya Khraplyva
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E. Ongoing Consultation on the SRO Organization Framework

The CSA is currently undertaking a review of the regulatory framework for IIROC and the MFDA. On June 25, 2020, a [consultation paper](#) on the SRO Regulatory Framework (**Consultation Paper**) was published for a 120-day comment period seeking input from all industry representatives and stakeholders, investor advocates, and the public on how innovation and the evolution of the financial services industry has impacted the current regulatory framework, as well as specific comments on the issues and targeted outcomes set out in the Consultation Paper. That consultation process is distinct from the changes described in this notice. All substantial queries and comments related to that consultation process should be submitted in accordance with the instructions in the Consultation Paper.

13.1.2 Mutual Fund Dealers Association of Canada (MFDA) – Changes to Harmonize and Streamline the Oversight of the MFDA – OSC Notice

OSC NOTICE

MUTUAL FUND DEALERS ASSOCIATION OF CANADA (MFDA)

CHANGES TO HARMONIZE AND STREAMLINE THE OVERSIGHT OF THE MFDA

Staff of the Ontario Securities Commission (**Staff**) are publishing certain changes to the oversight of the MFDA by the Recognizing Regulators.

A. Background

The MFDA is the self-regulatory organization (**SRO**) that oversees mutual fund dealers in Canada, except in Quebec, where mutual fund dealers are directly regulated by the Autorité des marchés financiers; and thus, plays an important role in the security of investors and confidence in Canada's capital markets. The MFDA is recognized by the following members of the Canadian Securities Administrators (**CSA**): Alberta Securities Commission, the British Columbia Securities Commission, the Financial and Consumer Affairs Authority of Saskatchewan, the Financial and Consumer Services Commission of New Brunswick, the Manitoba Securities Commission, the Nova Scotia Securities Commission, the Ontario Securities Commission, and the Prince Edward Island Office of the Superintendent of Securities through their respective recognition orders (**Recognition Orders**), which are largely harmonized. In addition, in order to coordinate the oversight of the MFDA, the above CSA jurisdictions have entered into a memorandum of understanding regarding oversight of the MFDA (**MOU**).

Given the passage of time since the current Recognition Orders and MOU became effective, a CSA staff working group initiated a focused review with the purpose to only streamline and modernize the documents to better reflect current CSA expectations and oversight practices and to harmonize them with similar documents under review relating to the Investment Industry Regulatory Organization of Canada (**IIROC**).

Therefore, changes will comprise of:

- Making certain amendments to the Recognition Orders in order to clarify the CSA's expectations and reduce MFDA's regulatory burden; and
- Concluding a new MOU that will modernize, streamline and harmonize certain sections of the MOU to better reflect current CSA oversight review practices.

Overall, the amendments are intended to:

- increase regulatory efficiency by streamlining and harmonizing the oversight regime for the MFDA; and
- reduce regulatory burden.

The following documents, demonstrating the amendments, can be found on our website at www.osc.gov.on.ca:

- Amended and restated MFDA Recognition Order (blackline);
- Amended and restated MFDA Recognition Order (clean); and
- New proposed MOU.

A more detailed overview is included below.

B. Key Proposed Amendments to the MFDA's Recognition Order

- The purposes for which the MFDA may use monies derived from fines and settlement agreements have been incorporated.
- Reporting requirements regarding the maintenance of the MFDA's continuing education tracking system have been incorporated.

- Several other minor changes have been made to clarify the CSA's expectations and/or reflect current oversight practice.

C. Key Details of the Proposed New MOU

- The new MOU better harmonizes the regime which the CSA has in place to govern oversight of the MFDA and includes changes that will reduce regulatory burden and enhance efficiency.
- The sections of the MOU dealing with coordinated oversight reviews have been revised and harmonized to better reflect current oversight practices.
- The Joint Rule Review Protocols, appended to the MOU, have been revised and harmonized to better reflect current rule review practices.

D. Purpose of the Publication

The purpose of this publication is to inform the public of the amendments that Staff intend to finalize after August 29, 2020. If you have any questions or comments, they may be referred to:

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