

The Ontario Securities Commission

# OSC Bulletin

September 1, 2022

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The Ontario Securities Commission administers the *Securities Act of Ontario* (R.S.O. 1990, c. S.5) and the *Commodity Futures Act of Ontario* (R.S.O. 1990, c. C.20)

**The Ontario Securities Commission**

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*Editor's Note: On Friday, April 29, 2022, the Securities Commission Act, 2021 (SCA), came into force by proclamation of the Lieutenant Governor of Ontario. The SCA's proclamation implemented key structural and governance changes to the OSC: the separation of the OSC Chair and Chief Executive Officer roles, and the creation of a new Capital Markets Tribunal. These new structural and governance changes are now reflected in the Bulletin, with one section to report and record the activities of the Capital Markets Tribunal and one section to report and record the activities of the Ontario Securities Commission: [www.capitalmarketstribunal.ca/en/resources](http://www.capitalmarketstribunal.ca/en/resources).*

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# A. Capital Markets Tribunal

## A.1 Notices of Hearing

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A.1.1 Teknoscan Systems Inc. et al. – ss. 127(1), 127.1

FILE NO.: 2022-19

IN THE MATTER OF  
TEKNOSCAN SYSTEMS INC.,  
H. SAMUEL HYAMS,  
PHILIP KAI-HING KUNG and  
SOON FOO (MARTIN) TAM

### NOTICE OF HEARING

Subsection 127(1) and section 127.1 of the *Securities Act*, RSO 1990, c S.5

**PROCEEDING TYPE:** Enforcement Proceeding

**HEARING DATE AND TIME:** September 15, 2022 at 2:00 p.m.

**LOCATION:** By videoconference

### PURPOSE

The purpose of this proceeding is to consider whether it is in the public interest for the Capital Markets Tribunal to make the orders requested in the Statement of Allegations filed by Staff of the Commission on August 23, 2022.

The hearing set for the date and time indicated above is the first attendance in this proceeding, as described in subsection 5(1) of the Capital Markets Tribunal Practice Guideline.

### REPRESENTATION

Any party to the proceeding may be represented by a representative at the hearing.

### FAILURE TO ATTEND

**IF A PARTY DOES NOT ATTEND, THE HEARING MAY PROCEED IN THE PARTY'S ABSENCE AND THE PARTY WILL NOT BE ENTITLED TO ANY FURTHER NOTICE IN THE PROCEEDING.**

### FRENCH HEARING

This Notice of Hearing is also available in French on request of a party. Participation may be in either French or English. Participants must notify the Tribunal in writing as soon as possible if the participant is requesting a proceeding be conducted wholly or partly in French.

### AVIS EN FRANÇAIS

L'avis d'audience est disponible en français sur demande d'une partie, que la participation à l'audience peut se faire en français ou en anglais et que les participants doivent aviser le Tribunal par écrit dès que possible si le participant demande qu'une instance soit tenue entièrement ou partiellement en français.

Dated at Toronto this 25th day of August, 2022

Registrar, Governance & Tribunal Secretariat  
Ontario Securities Commission

### For more information

Please visit [capitalmarketstribunal.ca](http://capitalmarketstribunal.ca) or contact the Registrar at [registrar@osc.gov.on.ca](mailto:registrar@osc.gov.on.ca).

**IN THE MATTER OF  
TEKNOSCAN SYSTEMS INC.,  
H. SAMUEL HYAMS,  
PHILIP KAI-HING KUNG and  
SOON FOO (MARTIN) TAM**

**STATEMENT OF ALLEGATIONS**

(Subsection 127(1) and Section 127.1 of the *Securities Act*, RSO 1990, c S.5)

**A. OVERVIEW**

1. This proceeding involves fraud and misrepresentation. TeknoScan Systems Inc. and its principals H. Samuel Hyams, Martin Tam and Philip Kung defrauded shareholders by presenting a sham transaction with no reasonable expectation of completion.
2. The Respondents informed TeknoScan investors that an acquiror had agreed to purchase up to 50% of TeknoScan's common shares, but failed to disclose numerous key facts, including that the purchaser had no funding to complete the transaction and that the Respondents had conducted next to no due diligence. Through dishonesty, deceit, and misrepresentation, the Respondents exploited TeknoScan's preferred shareholders, enticed them to convert their preferred shares to common shares, and caused them to forfeit their rights as preferred shareholders.
3. Protecting investors from unfair, improper and fraudulent practices is a fundamental tenet of Ontario securities law. Persons who mislead investors, violate investors' trust, and place investors' interests at risk undermine confidence in the capital markets.

**B. FACTS**

The following allegations of fact are made:

4. TeknoScan is an Ontario trace chemical detection company located in Vaughan, Ontario. TeknoScan's decisions are primarily driven by H. Samuel Hyams, President and Chief Executive Officer; Philip Kai-Hing Kung, Executive Vice-President and Chief Financial Officer; and Soon Foo (Martin) Tam, the Chair of TeknoScan's Board of Directors. During all relevant times, the Individual Respondents were directors or officers and directing minds of TeknoScan.
5. In late 2016, TeknoScan had approximately 102 shareholders holding approximately 36,533,885 Class A preferred shares of TeknoScan (**Preferred Shareholders**). Preferred Shareholders were entitled to the following:
  - a. 6% cumulative dividends payable annually;
  - b. quarterly royalties of 5% of the company's net revenue, not to exceed the total sum invested;
  - c. warrants permitting the Preferred Shareholder to acquire common shares on a 1:1 basis to the number of shares subscribed for by the investor; and
  - d. the right to require TeknoScan to redeem their preferred shares at US \$3 per share after 36 months from the purchase date.
6. On December 14, 2016, TeknoScan sent a Notice to Shareholders (the **Notice**) advising that Double Helix Management Services Ltd. intended to buy up to 50% of Teknoscan common shares at US \$20 per common share (the **Share Purchase Transaction**). The Individual Respondents authorized the Notice.
7. Double Helix was a Canadian corporation with a registered office in Ontario. It was incorporated on November 17, 2016—one month before the Notice—and dissolved on September 23, 2019. Dan Paul Davison was the sole director.
8. The Notice advised Preferred Shareholders that, if they wished to participate in the Share Purchase Transaction, they could convert all, but not less than all, of their preferred shares for common shares on a 1:1 basis. The conversion of the preferred shares as set out in the Notice was not contingent on the closing of the Share Purchase Transaction.
9. If the Preferred Shareholders elected to participate, those converted common shares could be included in the Share Purchase Transaction. Preferred Shareholders were asked to sign and complete an acknowledgement and confirmation and return it to TeknoScan no later than January 31, 2017.
10. The Preferred Shareholders were incentivized to convert because the Share Purchase Transaction as described in the Notice would have provided them with an opportunity to sell all or part of their stake in TeknoScan at a significant profit.

## A.1: Notices of Hearing

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11. After shareholders received the Notice, Preferred Shareholders converted approximately 33,730,897 Class A preferred shares (representing 92.3% of such outstanding preferred shares at the time) to TeknoScan common shares.
12. The Respondents, however, had no reasonable basis to believe that the Share Purchase Transaction would take place.
13. The purchase of 50% of the TeknoScan common shares at US \$20 per share would have cost approximately US \$1 billion. Davison had almost no assets and limited business experience. Double Helix was incorporated in November 2016. The Respondents knew Double Helix and Davison did not have the ability to complete the Share Purchase Transaction and thus needed to obtain funding from third-party funders (**Third-Party Funders**) whose identities and financial capacity were unknown to the Respondents.
14. The TeknoScan Board of Directors, which comprised of the Individual Respondents and a fourth member, delegated due diligence responsibilities to Kung. Kung was aware that Davison could not, on his own, complete the Share Purchase Transaction and conducted minimal due diligence into Davison and Third-Party Funders.
15. In or around July 2016, Investor A, a friend of Kung's since university, loaned 500,000 euros to Davison at Kung's request. Kung guaranteed half of the loan. The loan amount was then transferred by Investor A directly to a company in Houston, Texas—again at Kung's request—in an attempt by the Respondents and/or Davison to obtain funding from unknown third parties for the Share Purchase Transaction. Neither Davison nor Double Helix received funding from this transfer and the loan from Investor A was never repaid.
16. In or around October or November 2016, despite having no credible information regarding the funding, the Respondents set the material terms and conditions of the Share Purchase Transaction and their representatives drafted the relevant documents.
17. At most, the Respondents, together with Double Helix and Davison, had only discussed in detail an initial US \$63 million tranche whose source was unverified and unknown.
18. At the time of the Notice, TeknoScan was in poor financial condition. For the year ended June 30, 2016, TeknoScan incurred a net loss of \$3.6 million. This figure increased over the next year to \$6.0 million for the year ended June 30, 2017. Over the same period, TeknoScan's loans payable grew from \$3.6 million as at June 30, 2016 to \$8.5 million as at June 30, 2017. Meanwhile, its revenues decreased by over 80% from \$349,000 to \$64,000.<sup>1</sup>
19. The poor financial state of TeknoScan encouraged the Respondents to cause Preferred Shareholders to convert their preferred shares to common shares. Had the Preferred Shareholders not converted their preferred shares, TeknoScan was liable to them for: (i) royalties for up to 5% of net revenues on a quarterly basis; (ii) annual discretionary dividends for up to 6% of the Preferred Shareholder's investment amount; and (iii) redemptions at \$3 per share.
20. The Notice omitted material facts that the Respondents knew or should have known. These facts included:
  - a. Neither Double Helix nor Davison had the funds or the ability to complete the Share Purchase Transaction;
  - b. Double Helix or Davison needed to obtain funding from a Third-Party Funder in order to complete the Share Purchase Transaction;
  - c. The Share Purchase Transaction would take place in unspecified tranches at unscheduled time intervals;
  - d. The Respondents had not conducted adequate due diligence on Double Helix, Davison, or Third-Party Funders;
  - e. The Respondents lacked information on the identity of any Third-Party Funder;
  - f. Double Helix and Davison had minimal participation in negotiating the Share Purchase Transaction;
  - g. The material terms and conditions of the Share Purchase Transaction were set by the Respondents.
21. The Share Purchase Transaction ultimately did not take place. TeknoScan received no funds pursuant to the Share Purchase Transaction. Double Helix and Davison purchased no shares.
22. The Individual Respondents nonetheless declared outsized bonuses for themselves that were omitted in large part from TeknoScan's books and financial statements. For the year ended June 30, 2017—just over six months after the Notice—the Individual Respondents declared \$5.41 million in bonuses for themselves but only booked approximately \$667,000 of it on TeknoScan's financial records.

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<sup>1</sup> All figures approximate.

23. The representation to TeknoScan shareholders by the Respondents that Davison and Double Helix intended to purchase up to 50% of Teknoscan common shares at US \$20 per share was misleading and dishonest. Preferred Shareholders who converted their preferred shares to common shares lost rights associated with the preferred shares, including: (i) the opportunity to exercise the put option to redeem their preferred shares at US \$3 per share; (ii) their annual 6% dividend; and (iii) their quarterly royalties of 5%. The shareholders who converted were not permitted to convert back to preferred shares.

**C. BREACHES OF ONTARIO SECURITIES LAW AND CONDUCT CONTRARY TO THE PUBLIC INTEREST**

24. The following breaches of Ontario securities law and conduct contrary to the public interest are alleged:
- a. The Respondents directly or indirectly engaged in or participated in acts, practices or courses of conduct relating to securities that they each knew or reasonably ought to have known perpetrated a fraud on persons or companies, contrary to s. 126.1(1)(b) of the Act, by causing Preferred Shareholders to convert their preferred shares to common shares under the guise of a sham transaction, thereby losing all rights associated with those preferred shares; and
  - b. The Respondents made statements that were misleading or untrue in light of the circumstances in which they were made, contrary to s. 126.2 of the Act, by representing that that Davison and Double Helix intended to purchase up to 50% of common shares of TeknoScan at US \$20 per share. It was a material omission contrary to s. 126.2 of the Act to not disclose all or some of the facts set out in paragraph 20 above;
  - c. The Individual Respondents, as officers and directors of TeknoScan, authorized, permitted or acquiesced in TeknoScan's breaches of the Act above and are thereby liable for such breaches pursuant to section 129.2 of the Act; and
  - d. The Respondents have engaged in activity that is contrary to the public interest.

**D. ORDERS SOUGHT**

25. The following orders are requested:

As against **TeknoScan**:

- a. that it cease trading in any securities or derivatives permanently or for such period as is specified by the Commission, pursuant to paragraph 2 of subsection 127(1) of the Act;
- b. that it be prohibited from acquiring any securities permanently or for such period as is specified by the Commission, pursuant to paragraph 2.1 of subsection 127(1) of the Act;
- c. that any exemption contained in Ontario securities law not apply to it permanently or for such period as is specified by the Commission, pursuant to paragraph 3 of subsection 127(1) of the Act;
- d. that it be reprimanded, pursuant to paragraph 6 of subsection 127(1) of the Act;
- e. that it be prohibited from becoming or acting as a registrant or promoter, pursuant to paragraph 8.5 of subsection 127(1) of the Act;
- f. that it pay an administrative penalty of not more than \$1 million for each failure to comply with Ontario securities law, pursuant to paragraph 9 of subsection 127(1) of the Act;
- g. that it disgorge to the Commission any amounts obtained as a result of non-compliance with Ontario securities law, pursuant to paragraph 10 of subsection 127(1) of the Act;
- h. that it pay costs of the Commission investigation and the hearing, pursuant to section 127.1 of the Act; and
- i. such other order as the Commission considers appropriate in the public interest

As against each of the **Individual Respondents**:

- j. that he cease trading in any securities or derivatives permanently or for such period as is specified by the Commission, pursuant to paragraph 2 of subsection 127(1) of the Act;
- k. that he be prohibited from acquiring any securities permanently or for such period as is specified by the Commission, pursuant to paragraph 2.1 of subsection 127(1) of the Act;

## A.1: Notices of Hearing

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- l. that any exemption contained in Ontario securities law not apply to him permanently or for such period as is specified by the Commission, pursuant to paragraph 3 of subsection 127(1) of the Act;
- m. that he be reprimanded, pursuant to paragraph 6 of subsection 127(1) of the Act;
- n. that he resign any position he may hold as a director or officer of an issuer permanently or for such period as is specified by the Commission, pursuant to paragraph 7 of subsection 127(1) of the Act;
- o. that he be prohibited from becoming or acting as a director or officer of any issuer permanently or for such period as is specified by the Commission, pursuant to paragraph 8 of subsection 127(1) of the Act;
- p. that he resign any positions that he may hold as a director or officer of a registrant, pursuant to paragraph 8.1 of subsection 127(1) of the Act;
- q. that he be prohibited from becoming or acting as a director or officer of a registrant, pursuant to paragraph 8.2 of subsection 127(1) of the Act;
- r. that he be prohibited from becoming or acting as a registrant or promoter, pursuant to paragraph 8.5 of subsection 127(1) of the Act;
- s. that he pay an administrative penalty of not more than \$1 million for each failure to comply with Ontario securities law, pursuant to paragraph 9 of subsection 127(1) of the Act;
- t. that he disgorge to the Commission any amounts obtained as a result of non-compliance with Ontario securities law, pursuant to paragraph 10 of subsection 127(1) of the Act;
- u. that he pay costs of the Commission investigation and the hearing, pursuant to section 127.1 of the Act; and
- v. such other order as the Commission considers appropriate in the public interest.

26. The rights to amend these allegations and to make further allegations are reserved.

**DATED** this 23rd day of August, 2022

**ONTARIO SECURITIES COMMISSION**

20 Queen Street West, 22nd Floor  
Toronto, ON M5H 3S8

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**IN THE MATTER OF  
MARK ODORICO**

**NOTICE OF HEARING**

Section 8 and 21.7 of the *Securities Act*, RSO 1990, c S.5

**PROCEEDING TYPE:** Application for Hearing and Review

**HEARING DATE AND TIME:** September 23, 2022 at 10:00 a.m.

**LOCATION:** By Videoconference

**PURPOSE**

The purpose of this proceeding is to consider the Application dated August 13, 2022 made by the party named above to review decisions of Investment Industry Regulatory Organization of Canada dated April 7, 2022 and July 21, 2022.

The hearing set for the date and time indicated above is the first attendance in this proceeding, as described in subsection 6(1) of the *Capital Markets Tribunal Practice Guideline*.

**REPRESENTATION**

Any party to the proceeding may be represented by a representative at the hearing.

**FAILURE TO ATTEND**

**IF A PARTY DOES NOT ATTEND, THE HEARING MAY PROCEED IN THE PARTY'S ABSENCE AND THE PARTY WILL NOT BE ENTITLED TO ANY FURTHER NOTICE IN THE PROCEEDING.**

**FRENCH HEARING**

This Notice of Hearing is also available in French on request of a party. Participation may be in either French or English. Participants must notify the Tribunal in writing as soon as possible if the participant is requesting a proceeding be conducted wholly or partly in French.

**AVIS EN FRANÇAIS**

L'avis d'audience est disponible en français sur demande d'une partie, que la participation à l'audience peut se faire en français ou en anglais et que les participants doivent aviser le Tribunal par écrit dès que possible si le participant demande qu'une instance soit tenue entièrement ou partiellement en français.

Dated at Toronto this 25th day of August, 2022.

Registrar, Governance & Tribunal Secretariat  
Ontario Securities Commission

**For more information**

Please visit [capitalmarketstribunal.ca](http://capitalmarketstribunal.ca) or contact the Registrar at [registrar@osc.gov.on.ca](mailto:registrar@osc.gov.on.ca).

**IN THE MATTER OF  
MARK ODORICO**

**APPLICATION**

(For Hearing and Review of a Decision Under Section 8 of the *Securities Act*, RSO 1990, c S.5)

**A. ORDER SOUGHT**

The Applicant, Mark Odorico, request(s) that the Tribunal make the following order(s):

1. The financial penalties and life ban from industry were too excessive and unfair to the applicant under the circumstances.

**B. GROUNDS**

The grounds for the request and the reasons for seeking a hearing and review are:

1. I was not treated fairly based on my health condition I needed more time to be represented properly.
2. I did not do anything wrong with investment accounts I only had a personal loan that was agreed upon with the related parties that were family and outside personal relationship that were outside of my employment.

**C. DOCUMENTS AND EVIDENCE**

The Applicant intend(s) to rely on the following documents and evidence at the hearing:

1. see attachments provided as evidence at the hearings.

Dated 13 day of August, 2022

Mark Odorico  
email: [mark.o@rogers.com](mailto:mark.o@rogers.com)  
416-564-9894

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## A.2 Other Notices

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### A.2.1 Ronald James Aitkens and Roy Juergen Beyer

**FOR IMMEDIATE RELEASE**  
August 25, 2022

**RONALD JAMES AITKENS and  
ROY JUERGEN BEYER,  
File No. 2022-1**

**TORONTO** – The Tribunal issued its Reasons and Decision and an Order pursuant to Subsections 127(1) and 127(10) of the *Securities Act* in the above named matter.

A copy of the Reasons and Decision and the Order dated August 24, 2022 are available at [capitalmarketstribunal.ca](https://capitalmarketstribunal.ca).

Registrar, Governance & Tribunal Secretariat  
Ontario Securities Commission

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1-877-785-1555 (Toll Free)  
inquiries@osc.gov.on.ca

### A.2.2 Teknoscan Systems Inc. et al.

**FOR IMMEDIATE RELEASE**  
August 25, 2022

**TEKNOSCAN SYSTEMS INC.,  
H. SAMUEL HYAMS,  
PHILIP KAI-HING KUNG and  
SOON FOO (MARTIN) TAM,  
File No. 2022-19**

**TORONTO** – The Tribunal issued a Notice of Hearing dated August 25, 2022, setting the matter down to be heard on September 15, 2022 at 2:00 p.m. or as soon thereafter as the hearing can be held in the above named matter.

A copy of the Notice of Hearing dated August 25, 2022 and Statement of Allegations dated August 23, 2022 are available at [capitalmarketstribunal.ca](https://capitalmarketstribunal.ca).

Registrar, Governance & Tribunal Secretariat  
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**A.2.3 Bridging Finance Inc. et al.**

**FOR IMMEDIATE RELEASE  
August 25, 2022**

**BRIDGING FINANCE INC.,  
DAVID SHARPE,  
BRIDGING INCOME FUND LP,  
BRIDGING MID-MARKET DEBT FUND LP,  
BRIDGING INCOME RSP FUND,  
BRIDGING MID-MARKET DEBT RSP FUND,  
BRIDGING PRIVATE DEBT INSTITUTIONAL LP,  
BRIDGING REAL ESTATE LENDING FUND LP,  
BRIDGING SMA 1 LP,  
BRIDGING INFRASTRUCTURE FUND LP,  
AND  
BRIDGING INDIGENOUS IMPACT FUND,  
File No. 2021-15**

**TORONTO** – Take notice that the motion hearing in the above named matter scheduled to be heard on September 8, 2022 at 10:00 a.m. will be heard on September 8, 2022 at 1:30 p.m.

Registrar, Governance & Tribunal Secretariat  
Ontario Securities Commission

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1-877-785-1555 (Toll Free)  
inquiries@osc.gov.on.ca

**A.2.4 Mark Odorico**

**FOR IMMEDIATE RELEASE  
August 25, 2022**

**MARK ODORICO,  
File No. 2022-18**

**TORONTO** – The Tribunal issued a Notice of Hearing to consider the Application dated August 13, 2022 made by the party named above to review decisions of Investment Industry Regulatory Organization of Canada dated April 7, 2022 and July 21, 2022.

A preliminary attendance will be held on September 23, 2022 at 10:00 a.m.

A copy of the Notice of Hearing dated August 25, 2022 and Application dated August 13, 2022 are available at [capitalmarketstribunal.ca](https://capitalmarketstribunal.ca).

Registrar, Governance & Tribunal Secretariat  
Ontario Securities Commission

For Media Inquiries:

media\_inquiries@osc.gov.on.ca

For General Inquiries:

1-877-785-1555 (Toll Free)  
inquiries@osc.gov.on.ca

**A.2.5 Bridging Finance Inc. et al.**

**FOR IMMEDIATE RELEASE  
August 26, 2022**

**BRIDGING FINANCE INC.,  
DAVID SHARPE,  
NATASHA SHARPE and  
ANDREW MUSHORE,  
File No. 2022-9**

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

A copy of the Order dated August 26, 2022 is available at [capitalmarketstribunal.ca](http://capitalmarketstribunal.ca).

Registrar, Governance & Tribunal Secretariat  
Ontario Securities Commission

For Media Inquiries:

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**A.2.6 Mughal Asset Management Corporation and  
Usman Asif**

**FOR IMMEDIATE RELEASE  
August 30, 2022**

**MUGHAL ASSET MANAGEMENT CORPORATION  
AND  
USMAN ASIF,  
File No. 2021-36**

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

A copy of the Order dated August 30, 2022 is available at [capitalmarketstribunal.ca](http://capitalmarketstribunal.ca).

Registrar, Governance & Tribunal Secretariat  
Ontario Securities Commission

For Media Inquiries:

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## A.3 Orders

**A.3.1 Ronald James Aitkens and Roy Juergen Beyer  
– ss. 127(1), 127(10)**

**IN THE MATTER OF  
RONALD JAMES AITKENS and  
ROY JUERGEN BEYER**

**File No.** 2022-1

**Adjudicator:** Cathy Singer (chair of the panel)

**August 24, 2022**

**ORDER  
(Subsections 127(1) and 127(10) of the  
Securities Act, RSO 1990, c S.5 (the Act))**

**WHEREAS** the Capital Markets Tribunal held a hearing in writing to consider a request by Staff of the Commission for an order imposing sanctions against Ronald James Aitkens and Roy Juergen Beyer pursuant to subsections 127(1) and 127(10) of the Act;

**ON READING** the materials filed by Staff, and Mr. Aitkens and Mr. Beyers not having filed any materials, although properly served;

**IT IS ORDERED:**

1. against Aitkens that:
  - (a) pursuant to paragraphs 7, 8.1 and 8.3 of subsection 127(1) of the Act, Aitkens resign any positions he holds as a director or officer of an issuer or registrant;
  - (b) pursuant to paragraph 2 of subsection 127(1) of the Act, trading in any securities or derivatives by Aitkens cease permanently;
  - (c) pursuant to paragraph 2.1 of subsection 127(1) of the Act, the acquisition of any securities by Aitkens cease permanently;
  - (d) pursuant to paragraph 3 of subsection 127(1) of the Act, any exemptions contained in Ontario securities law do not apply to Aitkens permanently;
  - (e) pursuant to paragraph 8, 8.2 and 8.4 of subsection 127(1) of the Act, Aitkens is prohibited permanently from becoming or acting as a director or officer of any issuer or registrant; and

- (f) pursuant to paragraph 8.5 of subsection 127(1) of the Act, from becoming or acting as a registrant or promoter.
2. against Beyer that:
    - (a) pursuant to paragraphs 7, 8.1 and 8.3 of subsection 127(1) of the Act, Beyer resign any positions he holds as a director or officer of an issuer or registrant;
    - (b) pursuant to paragraph 2 of subsection 127(1) of the Act, trading in any securities or derivatives by Beyer cease until October 2, 2029;
    - (c) pursuant to paragraph 2.1 of subsection 127(1) of the Act, the acquisition of any securities by Beyer cease until October 2, 2029;
    - (d) pursuant to paragraph 3 of subsection 127(1) of the Act, any exemptions contained in Ontario securities law do not apply to Beyer until October 2, 2029;
    - (e) pursuant to paragraph 8, 8.2 and 8.4 of subsection 127(1) of the Act, Beyer is prohibited from becoming or acting as a director or officer of any issuer or registrant until October 2, 2029; and
    - (f) pursuant to paragraph 8.5 of subsection 127(1) of the Act, from becoming or acting as a registrant or promoter until October 2, 2029.

“Cathy Singer”

A.3.2 Bridging Finance Inc. et al.

IN THE MATTER OF  
BRIDGING FINANCE INC.,  
DAVID SHARPE,  
NATASHA SHARPE  
AND  
ANDREW MUSHORE

File No. 2022-9

**Adjudicators:** Russell Juriansz (chair of the panel)  
Timothy Moseley  
Dale Ponder

August 26, 2022

**ORDER**

**WHEREAS** on August 25, 2022, the Capital Markets Tribunal held a hearing by videoconference;

**ON HEARING** the submissions of the representatives for Staff of the Ontario Securities Commission (**Staff**) and for each of the receiver of Bridging Finance Inc., David Sharpe, Natasha Sharpe and Andrew Mushore (the **Respondents**);

**IT IS ORDERED THAT:**

1. by 4:30 p.m. on October 14, 2022, the Respondents shall:
  - a. confirm that there are no outstanding issues with respect to disclosure;
  - b. or, if disclosure issues have been identified, then either:
    - i. the parties shall file a joint schedule setting out the steps for the resolution of disclosure issues; or
    - ii. if there is no agreement, the parties shall serve and file brief submissions in writing with a proposed schedule;
2. by 4:30 p.m. on October 28, 2022, the Respondents shall:
  - a. serve and file a witness list;
  - b. serve a summary of each witness's anticipated evidence on Staff; and
  - c. indicate any intention to call an expert witness, including providing the expert's name and the issues on which the expert will give evidence; and
3. a further attendance in this matter is scheduled for November 28, 2022, at 10:00 a.m., by videoconference, or on such other date and time as may be agreed to by the parties and set by the Governance and Tribunal Secretariat.

"Russell Juriansz"

"Timothy Moseley"

"Dale Ponder"

**A.3.3 Mughal Asset Management Corporation and Usman Asif – ss. 127(8), 127(1)**

**IN THE MATTER OF  
MUGHAL ASSET MANAGEMENT CORPORATION and  
USMAN ASIF**

**File No. 2021-36**

**Adjudicator:** Andrea Burke

**August 30, 2022**

**ORDER**

(Subsections 127(8) and 127(1) of the *Securities Act*, RSO 1990, c S.5)

**WHEREAS** the Capital Markets Tribunal held a hearing in writing to consider a motion filed by Staff of the Ontario Securities Commission to further extend, until the conclusion of the enforcement proceeding in *Mughal Asset Management Corporation (Re)*, file no. 2022-15 (the **Related Proceeding**), a temporary order dated December 17, 2021 (the **Temporary Order**) against Mughal Asset Management Corporation (**Mughal**) and Usman Asif (**Asif**), most recently extended on March 10, 2022;

**ON READING** the materials filed by Staff, and on considering the respondents' consent to an extension of the Temporary Order;

**IT IS ORDERED** that until the conclusion of the Related Proceeding:

1. pursuant to subsection 127(8) and paragraph 2 of subsection 127(1) of the Act, all trading in securities of Mughal shall cease;
2. pursuant to subsection 127(8) and paragraph 2 of subsection 127(1) of the Act, trading in any securities by Asif and Mughal, or by any person on their behalf, including but not limited to any act, advertisement, solicitation, conduct, or negotiation, directly or indirectly in furtherance of a trade, shall cease; and
3. pursuant to subsection 127(8) and paragraph 3 of subsection 127(1) of the Act, any exemptions contained in Ontario securities law do not apply to Asif or Mughal.

"Andrea Burke"

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# A.4

## Reasons and Decisions

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### A.4.1 Ronald James Aitkens and Roy Juergen Beyer – ss. 127(1), 127(10)

**Citation:** *Aitkens (Re)*, 2022 ONCMT 22

**Date:** 2022-08-24

**File No.** 2022-1

**IN THE MATTER OF  
RONALD JAMES AITKENS and  
ROY JUERGEN BEYER**

**REASONS AND DECISION  
(Subsections 127(1) and 127(10) of the *Securities Act*, RSO 1990, c S.5)**

**Adjudicators:** Cathy Singer (chair of the panel)

**Hearing:** In Writing; final written submissions received on August 8, 2022

**Submissions:** Sarah McLeod For Staff of the Ontario Securities Commission  
Roy Juergen Beyer On their own behalf

### REASONS AND DECISION

#### 1. INTRODUCTION

- [1] Staff of the Ontario Securities Commission requests that an order be issued against the Respondents Ronald James Aitkens and Roy Juergen Beyer pursuant to the inter-jurisdictional enforcement provisions in subsection 127(10) of the Ontario *Securities Act*<sup>1</sup> (the **Act**).
- [2] The Respondents raised approximately \$33.6 million through offering memoranda for the Foundation Capital Group Trust (the **Trust**), between approximately January 2010 and November 2011, in order to fund a project relating to oil and gas exploration and development. Additionally, approximately \$31.6 million was raised for a land development project in Calgary, Alberta (the **SV Project**) between October 1, 2007 and August 24, 2012, and approximately \$16.1 million for a land development project on Vancouver Island, British Columbia (the **HV Project**) between February 1, 2009 and October 31, 2012.
- [3] On February 15, 2018, a panel of the Alberta Securities Commission (**ASC Panel**) found that Aitkens, Beyer, the Trust, 0865701 B.C. Ltd. and Harvest Capital Management Inc. each breached s. 92(4.1) of the Alberta *Securities Act*<sup>2</sup> (the **ASA**) by making materially misleading omissions in two of four Trust offering memoranda.
- [4] The ASC Panel further found that Aitkens, Stoney View Crossing Inc. and Harbour View Landing Inc. breached s. 93(b) of the *ASA* by perpetrating a fraud when they allowed these companies to misuse money raised from investors by diverting it to other entities with common ownership or management.
- [5] On October 2, 2019, the ASC imposed sanctions against Aitkens, Beyers and the corporate entities.
- [6] Staff is only proceeding against Aitkens and Beyer as the corporate entities, including the trustee and the administrator of the Trust, have all been dissolved and the applicable limitation period has expired.
- [7] The issues for me to consider are (1) whether one or more of the circumstances under subsection 127(10) of the *Act* apply to the Respondents, and (2) if so, whether the Capital Markets Tribunal should exercise its public interest jurisdiction to make an order pursuant to subsection 127(1) of the *Act*.
- [8] I find that the threshold under subsection 127(10) is met as the Respondents are subject to an order made by the ASC, and it is in the public interest to issue the order requested by Staff. My reasons are as set out below.

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<sup>1</sup> RSO 1990, c S.5

<sup>2</sup> RSA 2000, c S-4

## 2. SERVICE AND PARTICIPATION

- [9] Staff elected to proceed with a hearing in writing using the expedited procedure for inter-jurisdictional enforcement proceedings set out in Rule 11(3) of the *Rules of Procedure and Forms (Rules)*.
- [10] Staff filed an affidavit of service<sup>3</sup> setting out that it served the Respondents with the Notice of Hearing, Statement of Allegations, Staff's hearing brief,<sup>4</sup> and Staff's written submissions and book of authorities by email and by sending copies via courier to the last known addresses of Aitkens and Beyer.
- [11] No request for an oral hearing was made and no materials were filed by Aitkens and Beyers by the deadline prescribed by Rule 11(3).
- [12] Rule 6(2)(a) of the *Rules* provides that service can be effected by electronic delivery. Rule 6(2)(d) of the *Rules* provides that service can also be effected by courier to a respondent's last known address. I find that Staff complied with the service requirements by using the email addresses which the ASC had previously used to communicate with Aitkens and Beyer and the last known mailing addresses provided by the ASC.
- [13] On May 30, 2022, Beyer made a request for an extension of time to file written submissions, as he stated that he was away at the time the materials were delivered to him and he was unable to review them until after the deadline to respond had expired. Staff did not oppose Beyer's request and I ordered on June 7, 2022 that an extension of time be granted for Beyer to file written submissions.
- [14] After receiving Staff's reply submissions, Beyer filed further submissions on July 25, 2022. My order did not contain a provision for Beyer to make further submissions in response to Staff's reply. Staff did not oppose the filing of Beyer's further submissions and did not have any further submissions to make, apart from addressing Beyer's limitation period argument, which was raised for the first time. I have considered Beyer's additional submissions dated July 25, 2022 and Staff's response.
- [15] Aitkens did not make any request for an extension. Pursuant to s. 7(2) of the *Statutory Powers Procedure Act*<sup>5</sup> and Rule 21(3) of the *Rules*, the Tribunal may proceed in the absence of a party who has been provided adequate notice of a proceeding. I am satisfied that Aitkens was provided with adequate notice of this proceeding and that I may proceed in his absence.

## 3. FACTUAL BACKGROUND

### 3.1 Conduct at Issue and ASC Findings

- [16] The conduct for which the Respondents were sanctioned occurred between December 2009 and November 2011.
- [17] The Trust was established to raise funds to engage in oil and gas exploration and development (the **Trust Project**), with 0865701 B.C. Ltd acting as trustee. The Trust issued four offering memorandums, two of which are at issue in this proceeding (**Trust OM1** and **Trust OM2**).
- [18] The Trust Project was primarily focused on raising money from investors to acquire an interest in Neo Exploration Inc. (**Neo**), which held oil and gas interests.
- [19] The SV Project contemplated that Stoney View Crossing Inc. would use the money raised from investors to purchase certain land in Calgary targeted for development. The two main SV Project companies were Stoney View Capital Inc. and Stoney View Crossing Inc., with Stoney View Capital Inc. raising the majority of the money and lending it to Stoney View Crossing Inc. The HV Project contemplated that Harbour View Landing Inc. would use the money raised from investors to purchase certain land in British Columbia targeted for development. The two main HV Project companies were Harbour View Capital Inc. and Harbour View Landing Inc., with Harbour View Capital Inc. raising the majority of the money and lending it to HV Landing.
- [20] Aitkens was the guiding mind of and controlled the decision-making entities involved with the Trust, including, 0865701 B.C. Ltd., Harvest Capital Management Inc. and Foundation Capital Corporation. He was also the guiding mind and controlled the decision-making of Harbour View Landing Inc. and Stoney View Crossing Inc.
- [21] Beyer was primarily involved in the marketing aspect of several entities. While the ASC Panel was not satisfied that Beyer was a guiding mind of any of the entities with which he was involved, he was a director and officer of various entities, including the trustee 0865701 B.C. Ltd.

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<sup>3</sup> Exhibit 1, Affidavit of Service of Michelle Spain, sworn on February 11, 2022

<sup>4</sup> Exhibit 2, Hearing Brief of Staff of the Ontario Securities Commission, dated January 27, 2022 [**Staff's Hearing Brief**]

<sup>5</sup> RSO 1990, c S.22, s 7(2)

- [22] The ASC Panel found that Aitkens and Beyer, along with other corporate entities, made materially misleading omissions in Trust OM1 and Trust OM2. Those materially misleading omissions were the failures to disclose information about the profit made by the entities which sold shares of Neo to the Trust. Specifically, the shares were purchased from Neo at a value of \$1.75 and sold to the Trust for prices ranging from \$1.75 to \$3.25. Trust OMs 1 and 2 did not include information about the profit made by the entities which sold the shares of NEO to the Trust.
- [23] The ASC Panel found that information about these transactions in Trust OMs 1 and 2 would have provided highly relevant data to a prospective reasonable investor in assessing the value of the shares of Neo and, consequently, in determining whether to buy securities of the Trust at the price offered. The ASC Panel found that Trust OMs 1 and 2 contained materially misleading omissions relating to the price of the shares of Neo.
- [24] The ASC Panel found that Aitkens and Beyer made those materially misleading omissions, knew or ought to have known that they were materially misleading, and knew or ought to have known that such omissions would reasonably have been expected to have had a significant effect on the value of the securities of the Trust. Accordingly, the Panel found that:
- a. Aitkens, Beyer, the Trust, 0865701 B.C. Ltd. and Harvest Capital Management Inc. breached s. 92(4.1) of the ASA;
  - b. Aitkens authorized, permitted or acquiesced in the s. 92(4.1) breaches by the Trust, 0865701 B.C. Ltd. and Harvest Capital Management Inc.; and
  - c. Beyer authorized, permitted or acquiesced in the s. 92(4.1) breaches by the Trust and 0865701 B.C. Ltd.
- [25] The ASC Panel also found that of the approximately \$47.7 million raised from investors – which was to be used for purchasing and developing land for the SV Project and the HV Project – approximately \$6.46 million was fraudulently used for other business purposes related to Aitkens.
- [26] Aitkens, Harbour View Landing Inc. and Stoney View Crossing Inc. were responsible for this fraud, thus breaching what was then s. 93(b) of the ASA. Aitkens also authorized, permitted or acquiesced in the breaches by Harbour View Landing Inc. and Stoney View Crossing Inc.

### **3.2 ASC Sanctions**

- [27] On October 2, 2019, the ASC issued an order imposing the following sanctions, conditions, restrictions or requirements upon the Respondents:
- a. **Aitkens**
    - i. under s. 198(1)(d) of the ASA, he must resign all positions he holds as a director or officer (or both) of any issuer, registrant, investment fund manager, recognized exchange, recognized self-regulatory organization, recognized clearing agency, recognized trade repository, designated rating organization or designated benchmark administrator;
    - ii. with permanent effect:
      - (a) under s. 198(1)(b), he must cease trading in or purchasing any security or derivative;
      - (b) under s. 198(1)(c), all of the exemptions contained in Alberta securities laws do not apply to him;
      - (c) under s. 198(1)(c.1), he is prohibited from engaging in investor relations activities;
      - (d) under s. 198(1)(e), he is prohibited from becoming or acting as a director or officer (or both) of:
        - i* any issuer or other person or company that is authorized to issue securities; or
        - ii* a registrant, investment fund manager, recognized exchange, recognized self-regulatory organization, recognized clearing agency, recognized trade repository, designated rating organization or designated benchmark administrator;
      - (e) under s. 198(1)(e.2), he is prohibited from becoming or acting as a registrant, investment fund manager or promoter; and
      - (f) under s. 198(1)(e.3), he is prohibited from acting in a management or consultative capacity in connection with activities in the securities market;

- iii. under s. 199, he must pay an administrative penalty of \$600,000; and
- iv. under s. 202, he must pay costs in the amount of \$180,000.

b. **Beyers**

- v. under s. 198(1)(d) of the ASA, he must resign all positions he holds as a director or officer (or both) of any issuer, registrant, investment fund manager, recognized exchange, recognized self-regulatory organization, recognized clearing agency, recognized trade repository, designated rating organization or designated benchmark administrator;
- vi. for a period of 10 years from the date of this decision or until the administrative penalty set out below is paid in full, whichever is the later:
  - (a) under s. 198(1)(b), he must cease trading in or purchasing any security or derivative;
  - (b) under s. 198(1)(c), all of the exemptions contained in Alberta securities laws do not apply to him;
  - (c) under s. 198(1)(c.1), he is prohibited from engaging in investor relations activities;
  - (d) under s. 198(1)(e), he is prohibited from becoming or acting as a director or officer (or both) of:
    - i any issuer or other person or company that is authorized to issue securities; or
    - ii a registrant, investment fund manager, recognized exchange, recognized self-regulatory organization, recognized clearing agency, recognized trade repository, designated rating organization or designated benchmark administrator;
  - (e) under s. 198(1)(e.2), he is prohibited from becoming or acting as a registrant, investment fund manager or promoter; and
  - (f) under s. 198(1)(e.3), he is prohibited from acting in a management or consultative capacity in connection with activities in the securities market;
- vii. under s. 199, he must pay an administrative penalty of \$75,000; and
- viii. under s. 202, he must pay costs in the amount of \$20,000.

[28] The ASC Panel concluded that Aitken's misconduct was "extremely serious" and that "Aitkens should not ever again be in a position to handle investors' money."<sup>6</sup> The ASC Panel found that Beyer needed "to be removed from certain access to the Alberta capital market for a significant period of time... bans of 10 years are appropriate here."<sup>7</sup>

[29] The ASC Panel was "confident in concluding that the misconduct of the Respondents exposed identifiable investors and the Alberta capital market as a whole to considerable harm"<sup>8</sup> and "warrants significant sanctions".<sup>9</sup>

[30] The ASC Panel acknowledged that "the Respondents accepted that the misconduct found against them was serious, despite their disagreement with our findings." The ASC Panel found this to be a mitigating factor.<sup>10</sup>

[31] The ASC Panel also found that the extensive involvement of professional advisers employed by the Respondents was a mitigating factor in determining the appropriate package of sanctions for the misrepresentations.<sup>11</sup> They also considered the fact that the Respondents "both tried to salvage parts of the companies and, therefore, some of the investors' money,"<sup>12</sup> as a mitigating factor.

#### 4. LAW AND ANALYSIS

[32] Staff seeks an order imposing sanctions that substantially mirror those imposed by the ASC against Aitkens and Beyer.

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<sup>6</sup> Exhibit 2, Staff's Hearing Brief, Tab 2 at para 43

<sup>7</sup> Exhibit 2, Staff's Hearing Brief, Tab 2 at para 117

<sup>8</sup> Exhibit 2, Staff's Hearing Brief, Tab 2 at para 53

<sup>9</sup> Exhibit 2, Staff's Hearing Brief, Tab 2 at para 54

<sup>10</sup> Exhibit 2, Staff's Hearing Brief, Tab 2 at para 80

<sup>11</sup> Exhibit 2, Staff's Hearing Brief, Tab 2 at para 85

<sup>12</sup> Exhibit 2, Staff's Hearing Brief, Tab 2 at para 90

[33] The issues for the Panel to consider are:

- a. whether one or more of the circumstances under subsection 127(10) of the *Act* apply to the Respondents; and
- b. if so, whether the Tribunal should exercise its public interest jurisdiction to make an order pursuant to subsection 127(1) of the *Act*.

**4.1 Do any of the circumstances under subsection 127(10) of the Act apply?**

[34] Subsection 127(10) of the *Act* does not itself empower the Tribunal to make an order; rather, it provides a basis for an order under subsection 127(1).

[35] Paragraph 4 of subsection 127(10) of the *Act* provides that the Tribunal may make an order under subsection 127(1) where the person or company is subject to an order made by a securities regulatory authority, derivatives regulatory authority or financial regulatory authority, in any jurisdiction, that imposes sanctions, conditions, restrictions or requirements on the person or company.

[36] The ASC is a securities regulatory authority and it has made an order imposing sanctions on Aitkens and Beyers. The threshold test under subsection 127(10) of the *Act* is therefore satisfied. I must now consider whether it is in the public interest to issue an order under subsection 127(1) of the *Act*.

**4.2 Is it in the public interest to make an order under subsection 127(1) of the Act?**

[37] Subsection 127(1) of the *Act* empowers the Tribunal to make various orders where it is in the public interest to do so. Orders made under subsection 127(1) of the *Act* are “protective and preventive” and are made to restrain future conduct that is likely to be prejudicial to the public interest in fair and efficient capital markets.<sup>13</sup>

[38] The findings made by another jurisdiction stand as a finding of fact for the purposes of the Tribunal’s considerations under subsection 127(10) of the *Act*, regarding whether an order is necessary in order to protect investors in Ontario and the integrity of Ontario’s capital markets.<sup>14</sup>

[39] In exercising its jurisdiction to make an order in reliance on subsection 127(10) of the *Act*, the Tribunal does not require that the underlying conduct have a connection to Ontario.<sup>15</sup>

[40] Staff submits that the following factors establish that it is in the public interest to make a protective order which substantially mirrors the sanctions imposed by the ASC:

- a. the Respondents were found by the ASC Panel to have breached Alberta securities law;
- b. the conduct for which the Respondents were sanctioned by the ASC would have likely constituted contravention of Ontario securities law, specifically contravention of subsections 126.2(1) and 126.1(1)(b) of the *Act*;
- c. the terms of the proposed order are consistent with the fundamental principle that the Commission maintain high standards of fitness and business conduct to ensure honest and responsible conduct by market participants;
- d. the terms of the proposed order align with the sanctions imposed in the ASC Order to the extent possible under the *Act*; and
- e. the sanctions proposed by Staff are prospective in nature and would impact the Respondents only if they attempted to participate in the capital markets of Ontario.

[41] In addition, Staff note that the ASC Panel found that there were references to Ontario investors in both the SV Project and the HV Project. The ASC Panel also found that Aitkens had a history of partnership with an Ontario corporation for business ventures.

[42] Beyer submits that there is no need for “further” sanctions as the sanctions already imposed by the ASC are sufficient. He submits that the allegations of fraud (which he was not found guilty of) have been “conflated” with the allegations of misrepresentation resulting in damage to his reputation and that he exercised due diligence by obtaining legal advice when acting, both factors mitigating the need for any “further” order to be made against him.

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<sup>13</sup> *Committee for Equal Treatment of Asbestos Minority Shareholders v Ontario (Securities Commission)*, 2001 SCC 37 at paras 42-43

<sup>14</sup> *JV Raleigh Superior Holdings Inc. (Re)*, 2013 ONSEC 18 (*JV Raleigh*) at para 16; *Euston Capital Corp et al (Re)*, 2009 ONSEC 23 at paras 45-46

<sup>15</sup> *Billier (Re)*, 2005 ONSEC 15 at paras 32-35; *Lynne Rae Nickford (Re)*, 2018 ONSEC 24 at para 13; *Hable (Re)*, 2018 ONSEC 11 at para 8; *Cook (Re)* 2018 ONSEC 6 at para 9

- [43] Beyer's additional submissions dated July 25, 2022, largely repeated his positions set out above. However, he also raised for the first time an argument that the application should be dismissed due to the expiration of the applicable limitation period or undue delay. Beyer bases this submission on the fact that the "initial action" taken by the ASC against the Trust was a cease trade order issued in December 2011 and that Staff waited 27 months after the ASC sanctions decision to commence this application.
- [44] In response, Staff submits that Beyer is attempting to relitigate the ASC hearing, which is not appropriate at a subsection 127(10) hearing. Staff submits that all of the factors raised by Beyer were raised before the ASC and considered by the ASC when the sanctions were imposed. Staff submits that Beyer has failed to discharge his onus to show that the ASC Order should not be reciprocated, which requires him to establish that:
- i. there was no substantial connection between Beyer and the originating jurisdiction;
  - ii. the ASC Order was obtained by fraud; or
  - iii. there was a denial of natural justice by the ASC.<sup>16</sup>
- [45] Staff also submits that the triggering event for the running of the six-year limitation period is the date of the ASC Order that is being reciprocated and not the date of the underlying conduct.<sup>17</sup>
- [46] I agree with Staff's submission that Beyer has failed to discharge his onus as none of the above defences to reciprocating the ASC Order have been made out. A proceeding under subsection 127(10) of the *Act* is not the proper forum to revisit the findings made in the originating jurisdiction,<sup>18</sup> which is what Beyer's submissions seek to do. The Tribunal's task in a subsection 127(10) proceeding is to determine whether, based on those findings of fact in the foreign jurisdiction, the sanctions proposed would be in the public interest in Ontario. I also agree that the six-year limitation period under the *Act* for the purposes of this application commences on the date that the order is made by the originating jurisdiction and therefore this application is not statute-barred.
- [47] It is important that the Tribunal impose sanctions that will protect Ontario investors by specifically deterring the Respondents from engaging in similar or other misconduct in Ontario, and by acting as a general deterrent to other like-minded persons. I accept Staff's submission that it would be in the public interest to order sanctions that are substantially similar to those imposed by the ASC.

#### 4.3 Differences between the Alberta and Ontario Statutes

- [48] The ASC imposed a sanction under subsection 198(1) of the *ASA* which prohibits the Respondents from acting "in a management or consultative capacity in connection with activities in the securities market".
- [49] The *Act* does not use those terms. Accordingly, the sanction under subsection 198(1) of the *ASA* is not available under subsection 127(1) of the *Act* or otherwise under the *Act*. However, I am satisfied that such activities would largely be covered by prohibiting the Respondents from becoming or acting as a director or officer of a registrant.

#### 5. CONCLUSION

- [50] For the reasons set out above, I find that it is in the public interest to limit the Respondents' future participation in Ontario's capital markets by imposing the sanctions requested by Staff. I therefore order as follows:
- a. against Aitkens that:
    - i. pursuant to paragraphs 7, 8.1 and 8.3 of subsection 127(1) of the *Act*, Aitkens resign any positions he holds as a director or officer of an issuer or registrant;
    - ii. pursuant to paragraph 2 of subsection 127(1) of the *Act*, trading in any securities or derivatives by Aitkens cease permanently;
    - iii. pursuant to paragraph 2.1 of subsection 127(1) of the *Act*, the acquisition of any securities by Aitkens cease permanently;
    - iv. pursuant to paragraph 3 of subsection 127(1) of the *Act*, any exemptions contained in Ontario securities law do not apply to Aitkens permanently;

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<sup>16</sup> *JV Raleigh* at para 26

<sup>17</sup> *McLean v British Columbia (Securities Commission)*, 2013 SCC 67 at paras 51-59; *Act*, s 129.1

<sup>18</sup> *JV Raleigh* at para 16; *Black (Re)*, 2014 ONSEC 16 at paras 14, 24-25

#### A.4: Reasons and Decisions

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- v. pursuant to paragraph 8, 8.2 and 8.4 of subsection 127(1) of the *Act*, Aitkens is prohibited permanently from becoming or acting as a director or officer of any issuer or registrant; and
  - vi. pursuant to paragraph 8.5 of subsection 127(1) of the *Act*, from becoming or acting as a registrant or promoter.
- b. against Beyer that:
- vii. pursuant to paragraphs 7, 8.1 and 8.3 of subsection 127(1) of the *Act*, Beyer resign any positions he holds as a director or officer of an issuer or registrant;
  - viii. pursuant to paragraph 2 of subsection 127(1) of the *Act*, trading in any securities or derivatives by Beyer cease until October 2, 2029;
  - ix. pursuant to paragraph 2.1 of subsection 127(1) of the *Act*, the acquisition of any securities by Beyer cease until October 2, 2029;
  - x. pursuant to paragraph 3 of subsection 127(1) of the *Act*, any exemptions contained in Ontario securities law do not apply to Beyer until October 2, 2029;
  - xi. pursuant to paragraph 8, 8.2 and 8.4 of subsection 127(1) of the *Act*, Beyer is prohibited from becoming or acting as a director or officer of any issuer or registrant until October 2, 2029; and
  - xii. pursuant to paragraph 8.5 of subsection 127(1) of the *Act*, from becoming or acting as a registrant or promoter until October 2, 2029.

Dated at Toronto this 24th day of August, 2022.

“Cathy Singer”

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# B. Ontario Securities Commission

## B.1 Notices

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B.1.1 [Withdrawn by OSC Staff, September 1, 2022] CSA Staff Notice 94-303 Variation, Amendment, or Revocation and Replacement of Blanket Orders Exempting Certain Counterparties from the Requirement to Submit a Mandatory Clearable Derivative for Clearing and Update on Proposed Amendments to National Instrument 94-101 Mandatory Central Counterparty Clearing of Derivatives



Canadian Securities  
Administrators

Autorités canadiennes  
en valeurs mobilières

[Withdrawn by OSC Staff, September 1, 2022] CSA Staff Notice 94-303  
*Variation, Amendment, or Revocation and Replacement of  
Blanket Orders Exempting Certain Counterparties from the Requirement to  
Submit a Mandatory Clearable Derivative for Clearing  
and  
Update on Proposed Amendments to  
National Instrument 94-101 Mandatory Central Counterparty Clearing of Derivatives*

May 31, 2018

### Introduction

The Canadian Securities Administrators (the **CSA** or **we**), except the Ontario Securities Commission (the **OSC**), are each varying, amending, or revoking and replacing, as applicable in the local jurisdiction, parallel orders of general application (in each jurisdiction, the **2018 Order**) to extend relief for certain counterparties from the clearing requirement under National Instrument 94-101 *Mandatory Central Counterparty Clearing of Derivatives* (the **National Instrument**), effective August 20, 2018.

### Substance and Purpose

On July 6, 2017, the CSA published CSA Staff Notice 94-301 *Blanket Orders Exempting Certain Counterparties from the Requirement to Submit a Mandatory Clearable Derivative for Clearing* indicating that amendments to the National Instrument may be necessary to clarify the scope of market participants that are subject to the requirement to clear an over-the-counter (**OTC**) derivative prescribed in Appendix A to the National Instrument.

To facilitate the rule-making process relating to those amendments, CSA members, except the OSC, issued on that day parallel orders of general application, effective October 4, 2017 (the **2017 Orders**). The 2017 Orders exempt from the clearing requirement under the National Instrument the counterparties specified in paragraphs 3(1)(b) or (c) of the National Instrument that are not already subject to the clearing requirement under paragraph 3(1)(a) on a temporary basis. The effect of the 2017 Orders extends the effective date of the clearing requirement from October 4, 2017 to August 20, 2018. In parallel, the OSC amended the National Instrument to extend the effective date of the clearing requirement until August 20, 2018 for the same counterparties as in the 2017 Orders.

Subsequently, on October 12, 2017, the CSA published *Proposed Amendments to National Instrument 94-101 Mandatory Central Counterparty Clearing of Derivatives* (the **Proposed Amendments**), and *Proposed Changes to Companion Policy 94-101 Mandatory Central Counterparty Clearing of Derivatives* for a 90-day comment period that expired on January 10, 2018. The purpose of the Proposed Amendments was to refine the scope of counterparties to which the clearing requirement applies and the types of OTC derivatives that are subject to the clearing requirement.

Three comment letters were received and can be found on the websites of the Alberta Securities Commission, the Autorité des marchés financiers and the OSC. In general, the commenters suggested modifications to the interpretation of the term “*affiliated entity*” and called for a harmonized interpretation of that term throughout the OTC derivatives rules.

In view of the comments received, the CSA is considering alternative solutions to address the aims of the Proposed Amendments with respect to the scope of counterparties subject to the clearing requirement, while also addressing commenters' calls for a harmonized interpretation of the term "affiliated entity" throughout the OTC derivatives rules. The CSA currently anticipates publishing for comment revised proposed amendments to the National Instrument for a second consultation period at a later date.

### **2018 Orders**

Accordingly, CSA members, except the OSC, are extending the relief from the clearing requirement under the National Instrument for those counterparties specified in paragraphs 3(1)(b) or (c) of the National Instrument that are not already subject to the clearing requirement under paragraph 3(1)(a), until the revocation of the 2018 Orders or the coming into force of amendments to the National Instrument with respect to the scope of counterparties subject to the clearing requirement, whichever is earlier.

### **OSC staff position**

The OSC will not be issuing an order of this nature given that orders of general application are not authorized under Ontario securities law. However, OSC staff are of the view that, while work in this area is ongoing, there is no public interest in recommending or pursuing an enforcement action against the counterparties specified in paragraphs 3(1)(b) or (c) of the National Instrument that are not already subject to the clearing requirement under paragraph 3(1)(a), for failure to comply with the clearing requirement contained in the National Instrument.

The above position of OSC staff may be withdrawn after further consideration of this matter. OSC staff expects that this position will be withdrawn on the coming into force of amendments to the National Instrument with respect to the scope of counterparties subject to the clearing requirement.

**[OSC Staff Note added September 1, 2022: OSC Staff are withdrawing CSA Staff Notice 94-303. Amendments to NI 94-101 *Mandatory Central Counterparty Clearing of Derivatives* were published on January 27, 2022 with effect on September 1, 2022. Consequently, this Staff Notice is no longer relevant as work has been completed to clarify the scope of counterparties subject to the clearing requirement.]**

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The 2018 Orders are available on the following websites of CSA members:

[www.lautorite.qc.ca](http://www.lautorite.qc.ca)  
[www.albertasecurities.com](http://www.albertasecurities.com)  
[www.bcsc.bc.ca](http://www.bcsc.bc.ca)  
[www.mbsecurities.ca](http://www.mbsecurities.ca)  
[nssc.novascotia.ca](http://nssc.novascotia.ca)  
[www.fcnb.ca](http://www.fcnb.ca)  
[www.fcaa.gov.sk.ca](http://www.fcaa.gov.sk.ca)

### **Questions**

Please refer your questions to any of:

Lise Estelle Brault  
Co-Chair, CSA Derivatives Committee  
Senior Director, Derivatives Oversight  
Autorité des marchés financiers  
514 395-0337, ext. 4481  
[lise-estelle.brault@lautorite.qc.ca](mailto:lise-estelle.brault@lautorite.qc.ca)

Kevin Fine  
Co-Chair, CSA Derivatives Committee Director,  
Derivatives Branch  
Ontario Securities Commission  
416 593-8109  
[kfine@osc.gov.on.ca](mailto:kfine@osc.gov.on.ca)

Paula White  
Deputy Director, Compliance and Oversight  
Manitoba Securities Commission  
204 945-5195  
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Legal Counsel, Corporate Finance  
Alberta Securities Commission  
403 355-2804  
[martin.mcgregor@asc.ca](mailto:martin.mcgregor@asc.ca)

## B.1: Notices

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Michael Brady  
Manager, Derivatives  
British Columbia Securities Commission  
604 899-6561  
[mbrady@bcsc.bc.ca](mailto:mbrady@bcsc.bc.ca)

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Abel Lazarus  
Director, Corporate Finance  
Nova Scotia Securities Commission  
902 424-6859  
[abel.lazarus@novascotia.ca](mailto:abel.lazarus@novascotia.ca)

Sonne Udemgba  
Deputy Director, Legal, Securities Division  
Financial and Consumer Affairs Authority of Saskatchewan  
306 787-5879  
[Sonne.udemgba@gov.sk.ca](mailto:Sonne.udemgba@gov.sk.ca)

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## B.2 Orders

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### B.2.1 New Klondike Exploration Limited – s. 144

#### Headnote

Application by an issuer for a revocation of a cease trade order issued by the Commission – cease trade order issued because the issuer had failed to file certain continuous disclosure materials required by Ontario securities law – defaults subsequently remedied by bringing continuous disclosure filings up-to-date – cease trade order revoked.

#### Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 127 and 144.

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

**AND**

**IN THE MATTER OF  
NEW KLONDIKE EXPLORATION LIMITED**

**ORDER  
(Section 144 of the Act)**

**WHEREAS** the securities of New Klondike Exploration Ltd. (the **Applicant**) are subject to a cease trade order (the **Ontario Cease Trade Order**) dated April 4, 2016 issued by the Director of the Ontario Securities Commission (the **Commission**) pursuant to paragraph 2 of subsection 127(1) and subsection 127(4.1) of the Act, it was ordered that all trading in the securities of the Applicant, whether direct or indirect, cease until the order is revoked by the Director;

**AND WHEREAS** the Ontario Cease Trade Order was made on the basis that the Applicant was in default of certain filing requirements under Ontario securities law as described in the Ontario Cease Trade Order and below;

**AND WHEREAS** the Applicant has applied to the Commission pursuant to section 144 of the Act for a full revocation of the Ontario Cease Trade Order;

**AND UPON** the Applicant having represented to the Commission that:

1. The Applicant was incorporated in the province of Ontario under the *Business Corporations Act* (Ontario) on February 9, 1948.
2. The Applicant's registered office is located at Suite 3400, 100 King Street West, Toronto, ON, M5K 1A4 and its head office is located at 3704 - 88 Scott St., Toronto, ON, M5E 1X6.
3. The Applicant is a reporting issuer under the securities legislation of the provinces of Ontario, British Columbia, Quebec and Alberta. The Applicant is not a reporting issuer in any other jurisdiction in Canada. The Applicant's principal regulator is the Commission.
4. The Applicant's authorized share capital consists of an unlimited number of common shares (**Common Shares**). The Applicant currently has 239,581,495 Common Shares issued and outstanding. Other than the issued and outstanding Common Shares, the Applicant has no other securities, including debt securities, issued and outstanding.
5. The Applicant's securities are not listed, quoted or traded on any exchange, marketplace or other facility in Canada or elsewhere.
6. The Ontario Cease Trade Order was issued as a result of the Applicant's failure to file the following continuous disclosure materials as required by Ontario securities law:

- (i) audited financial statements for the year ended November 30, 2015;
  - (ii) management's discussion and analysis (**MD&A**) relating to the audited annual financial statements for the year ended November 30, 2015; and
  - (iii) the certification of the foregoing filings as required by National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings* (**NI 52-109**)  
  
(collectively, the **Unfiled Documents**).
7. The Filer's failure to file the Unfiled Documents was as a result of financial difficulties.
8. In addition to the Ontario Cease Trade Order, the Applicant's securities are also subject to a cease trade order dated April 7, 2016 issued by the Executive Director of the British Columbia Securities Commission (the **BCSC**), pursuant to subsection 164(1) of the *Securities Act* (British Columbia), directing that all trading in the securities of the Applicant cease until the order is revoked by the Executive Director (the **BC Cease Trade Order**).
9. The Applicant's securities are also subject to a cease trade order dated April 5, 2016 and April 20, 2016 issued by the Autorité des marchés financiers (the **AMF**), pursuant to paragraph 3 of section 265 and section 318 of the *Securities Act* (Quebec), directing that all trading in the securities of the Applicant cease until the order is amended or lifted (the **QC Cease Trade Order**) (collectively with the Ontario Cease Trade Order, the BC Cease Trade Order and the QC Cease Trade Order, the **Cease Trade Orders**).
10. The Cease Trade Orders are reciprocated in Alberta pursuant to section 198.1 of the *Securities Act* (Alberta), Alberta's statutory reciprocal order provision.
11. Subsequent to the issuance of the Cease Trade Orders, the Applicant failed to file other continuous disclosure documents with the Commission within the prescribed timeframe in accordance with the requirements of Ontario securities law, including the following:
- (i) all annual audited financial statements for the years ended November 30, 2016 to November 30, 2019;
  - (ii) all interim unaudited financial statements for the interim periods ended February 29, 2016 to February 29, 2020;
  - (iii) all MD&A relating to the financial statements referred to in subparagraphs (a) and (b) above;
  - (iv) all certificates required to be filed in respect of the financial statements referred to in subparagraphs (a) and (b) above under NI 52-109;
  - (v) disclosure required by Form 51-102F6V *Statement of Executive Compensation – Venture Issuers*, for the years ended November 30, 2015 to 2021;
  - (vi) disclosure required by Form 52-110F2 *Disclosure by Venture Issuers*, for the years ended November 30, 2015 to 2021; and
  - (vii) disclosure required by Form 58-101F2 *Corporate Governance Disclosure (Venture Issuers)*, for the years ended November 30, 2015 to 2021.
- (together with the Unfiled Documents, the **Unfiled Continuous Disclosure**).
12. The Applicant has concurrently applied to the BCSC and AMF for a full revocation of the BC Cease Trade Order and the QC Cease Trade Order, respectively.
13. The Applicant has now filed the following documents with the Commission:
- (i) annual audited financial statements for the years ended November 30, 2015 to November 30, 2021;
  - (ii) interim unaudited financial statements for the interim period ended February 28, 2022, 2021 and February 29, 2020, May 31, 2022, 2021 and 2020, August 31, 2021 and 2020;
  - (iii) all MD&A relating to the financial statements referred to in subparagraphs (i) and (ii) above;
  - (iv) all certificates required to be filed in respect of the financial statements referred to in subparagraphs (i) and (ii) above under NI 52-109;

- (v) disclosure required by Form 51-102F6V *Statement of Executive Compensation – Venture Issuers*, for the years ended November 30, 2019, 2020 and 2021;
  - (vi) disclosure required by Form 52-110F2 *Disclosure by Venture Issuers*, for the year ended November 30, 2021; and
  - (vii) disclosure required by Form 58-101F2 *Corporate Governance Disclosure (Venture Issuers)*, for the year ended November 30, 2021.
14. The Applicant has not filed the following:
- (i) interim unaudited financial statements for the interim periods ended February 29, 2016 to August 31, 2019;
  - (ii) MD&A relating to the financial statements referred to in subparagraphs (i) above;
  - (iii) certificates required to be filed in respect of the financial statements referred to in subparagraphs (i) above under NI 52-109;
  - (iv) disclosure required by Form 51-102F6V *Statement of Executive Compensation – Venture Issuers*, for the years ended November 30, 2015, 2016, 2017 and 2018;
  - (v) disclosure required by Form 52-110F2 *Disclosure by Venture Issuers*, for the years ended November 30, 2015 to 2020; and
  - (vi) disclosure required by Form 58-101F2 *Corporate Governance Disclosure (Venture Issuers)*, for the years ended November 30, 2015 to 2020
- (collectively, the **Outstanding Filings**).
15. The Applicant has filed with the Commission all continuous disclosure that it is required to file under Ontario securities law, except for the Outstanding Filings and any other continuous disclosure that the Commission elected not to require as contemplated under section 6 of National Policy 12-202 *Revocation of a Compliance-related Cease Trade Order*.
16. Except for the failure to file the Outstanding Filings, the Applicant is: (i) up-to-date with all of its continuous disclosure obligations, (ii) not in default of any requirements under the Act or the rules and regulations made pursuant thereto, and (iii) not in default of any of its obligations under the Cease Trade Orders.
17. As of the date hereof, the Applicant's issuer profile on the System for Electronic Document Analysis and Retrieval (**SEDAR**) and the issuer profile supplement on the System for Electronic Disclosure by Insiders are current and accurate.
18. As of the date hereof, the Applicant has paid all outstanding activity, participation and late filing fees that are required to be paid to the Commission and has filed all forms associated with such payments.
19. Effective May 21, 2020, each of Cybill Tsung, Can Hong (Charles) Liu and Neil Pettigrew were elected as directors of the Applicant. The reconstituted board of directors appointed Can Hong (Charles) Liu as Chief Executive Officer and Chief Financial Officer. Ms. Cybill Tsung resigned as a director on January 15, 2021 and Steven Velimirovic was appointed as a director of the Applicant. Other than the aforementioned appointments and resignations (the **Appointments and Resignations**), there have been no changes to the Applicant's directors or executive officers since May 21, 2020.
20. On March 31, 2021, the Applicant received a partial revocation of the Cease Trade Orders to permit the Private Placement and Debt Settlement (as defined below).
21. On May 26, 2021, the Applicant completed a non-brokered private placement for aggregate gross proceeds of \$112,000 through the issuance of 112,000,000 Common Shares at a price of \$0.001 per Common Share (the **Private Placement**). In addition, the Applicant issued 107,165,954 Common Shares at a deemed price of \$0.001 per Common Share pursuant to shares-for-debt transactions related to the settlement of trade payable advances and unsecured notes in the aggregate amount of \$107,165.94 (the **Debt Settlement**).
22. Except for the Appointments and Resignations, the Private Placement and the Debt Settlement, there have been no material changes in the business, operations or affairs of the Applicant since May 21, 2020 which have not been disclosed by news release and/or material change report and filed on SEDAR.
23. Other than the Cease Trade Orders, the Applicant has not previously been subject to a cease trade order issued by any securities regulatory authority.

**B.2: Orders**

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24. The Applicant is not considering nor is it involved in any discussions related to, a reverse takeover, merger, amalgamation or other form of combination or transaction similar to any of the foregoing.
25. The Applicant has given the Commission a written undertaking that:
- (a) the Applicant will hold an annual meeting of shareholders within three months after the date on which the Ontario Cease Trade Order is revoked; and
  - (b) the Applicant will not complete
    - (i) a restructuring transaction involving, directly or indirectly, an existing or proposed, material underlying business which is not located in Canada,
    - (ii) a reverse takeover with a reverse takeover acquirer that has a direct or indirect, existing or proposed, material underlying business which is not located in Canada, or
    - (iii) a significant acquisition involving, directly or indirectly, an existing or proposed, material underlying business which is not located in Canada,
- unless
- (1) the Applicant files a preliminary prospectus and a final prospectus with the Commission and obtains receipts for the preliminary and final prospectus from the Director under the Act,
  - (2) the Applicant files or delivers with the preliminary prospectus and the final prospectus the documents required by Part 9 of National Instrument 41-101 *General Prospectus Requirements (NI 41-101)* including a completed personal information form and authorization in the form set out in Appendix A of NI 41-101 for each current and incoming director, executive officer and promoter of the Applicant, and
  - (3) the preliminary prospectus and final prospectus contain the information required by applicable securities legislation, including the information required for a probable restructuring transaction, reverse takeover or significant acquisition (as applicable).
26. Upon the revocation of the Ontario Cease Trade Order, the Applicant will issue a news release and concurrently file a material change report on SEDAR announcing the revocation of the Ontario Cease Trade Order and outlining the Applicant's future plans.

**AND UPON** considering the application and recommendation of the staff of the Commission;

**AND UPON** the Director being satisfied that it would not be prejudicial to the public interest to revoke the Ontario Cease Trade Order;

**IT IS ORDERED**, pursuant to section 144 of the Act, that the Ontario Cease Trade Order is revoked.

**DATED** at Toronto, Ontario on this 22nd day of August, 2022.

"Erin O'Donovan"  
Manager, Corporate Finance  
Ontario Securities Commission

OSC File #: 2021/0408

## B.2.2 Trans-Canada Capital Inc. and The Top Funds

### Headnote

National Instrument 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Mutual funds that are not reporting issuers granted 90-day extension of the annual financial statement filing and delivery deadlines and 60-day extension of the interim financial statement filing and delivery deadlines under NI 81-106 – Funds invest the majority of their assets in Underlying Funds with later financial reporting deadlines.

### Statutes Cited

National Instrument 81-106 Investment Fund Continuous Disclosure, ss. 2.2, 2.4, 5.1(2) and 17.1.

August 25, 2022

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

**AND**

**IN THE MATTER OF  
TRANS-CANADA CAPITAL INC.  
(the “Filer”)**

**AND**

**THE TOP FUNDS  
(as defined below)**

**ORDER**

### Background

The principal regulator in the Jurisdiction has received an application from the Filer, as investment fund manager of TCC Master Alternative Fund, LP, TCC Alternative Feeder 2, LP, TCC Alternative Fund Trust – Non-Taxable, TCC Alternative Fund Trust – Taxable, (the “**Initial Top Funds**”) and any other existing or future mutual fund that is not and will not be a reporting issuer, that is or will be organized under the laws of the Jurisdiction, and that is, or will be, managed by the Filer and invests or will invest in underlying funds (“**Underlying Funds**”) as part of its investment strategy (the “**Future Top Master and Feeder Funds**” and together with the Initial Top Funds, the “**Top Funds**”) for a decision under the securities legislation of the Jurisdiction (the “**Legislation**”) in respect of the fund-on-fund structure (described below) exempting the Top Funds from the following requirements of National Instrument 81-106 *Investment Fund Continuous Disclosure* (“**NI 81-106**”):

1. the requirement in section 2.2 that the Top Funds file their audited annual financial statements and auditor’s report (the “**Annual Financial Statements**”) on or before the 90th day after the Top Funds’ most recently completed financial year (“**Annual Filing Deadline**”);
2. the requirement in section 2.4 that the Top Funds file their interim financial statements (the “**Interim Financial Statements**”) and collectively with the Annual Financial Statements, the “**Financial Statements**”) on or before the 60th day after the Top Funds’ most recently completed interim period (“**Interim Filing Deadline**”);
3. the requirement in paragraph 5.1(2)(a) that the Top Funds deliver to the securityholders their Annual Financial Statements by the Annual Filing Deadline (the “**Annual Delivery Requirement**”); and
4. the requirement in paragraph 5.1(2)(b) that the Top Funds deliver to the securityholders their Interim Financial Statements by the Interim Filing Deadline (the “**Interim Delivery Requirement**”);

(collectively, the “**Requested Relief**”).

### Representations

#### *The Filer*

1. The Filer is a corporation incorporated under the *Canada Business Corporations Act* (“**CBCA**”) with its principal place of business in Montreal, Quebec.

2. The Filer is registered as an Exempt Market Dealer in all Canadian provinces and territories, and as a Portfolio Manager, Investment Fund Manager and Derivatives Portfolio Manager/Commodity Trading Manager in Ontario and Quebec.
3. The Filer is not a reporting issuer in any jurisdiction and is not in default of securities legislation of any jurisdiction of Canada.
4. The Filer is the investment fund manager of the Initial Top Funds, and is, or will be, the investment fund manager of each of the Top Funds.

*The Top Funds*

5. TCC Master Alternative Fund, LP was initially an exempted limited partnership formed under the laws of Cayman Islands and registered on May 31, 2019 for an unlimited term. It was continued under the laws of the province of Ontario as of July 18, 2022.
6. TCC Alternative Feeder 2, LP is a limited partnership formed under the laws of the province of Ontario and registered on June 30, 2022.
7. TCC Alternative Fund Trust – Non-Taxable and TCC Alternative Fund Trust – Taxable are trust funds formed under the laws of the province of Ontario, both effective January 1, 2022.
8. Each Future Top Master and Feeder Fund will be organized as a limited partnership under the laws of Ontario.
9. The Top Funds have and will continue to have their principal place of business in Montreal, Quebec. The Top Funds are not and will not be reporting issuers in any jurisdiction and the Initial Top Funds are not in default of securities legislation of any jurisdiction of Canada.
10. Each Top Fund is, or will be, a “mutual fund” for the purposes of the Legislation.
11. Securities of the Top Funds are and will be offered for sale and distribution on a continuous basis to qualified investors in all Canadian provinces and territories pursuant to an exemption from the prospectus requirements under National Instrument 45-106 *Prospectus and Registration Exemptions*.
12. Each Top Fund has, or will have, a financial year-end of December 31.
13. The Top Funds invest, or will invest, in units of Underlying Funds as part of their investment strategies.
14. The investment strategy of each Initial Top Fund is, or will be, to primarily invest the Initial Top Fund’s assets in Underlying Funds that are private investment entities managed by independent managers with the minority balance invested in a diversified array of liquid alternative strategies and alternative asset classes. The Initial Top Funds seek to provide superior risk-adjusted returns through a diversified portfolio of private and/or public markets investments and a diversified array of liquid alternative strategies and alternative asset classes and by achieving broader diversification to alleviate or reduce a number of the burdens associated with these types of investments. The Filer seeks to achieve this strategy by employing a “multi-manager” approach and investing in several Underlying Funds managed by Underlying Fund managers who employ a variety of private and/or public markets fund investment strategies. The performance objective of the Initial Top Funds is to generate an annualized return of 10-12% across a full market cycle, through the construction of a diversified portfolio which includes real estate, private equity, private debt, infrastructure, co-investments and liquid strategies.
15. It is anticipated that the investment strategy of the Future Top Master and Feeder Funds will be to primarily invest their assets in Underlying Funds that are private investment entities managed by independent managers.
16. The Filer believes that investing in the Underlying Funds offers benefits not available through a direct investment in the companies, other issuers or assets held by the Underlying Fund.
17. The Filer engages in an extensive due diligence process when selecting Underlying Funds for each Top Fund.
18. Securities of the Underlying Funds are typically redeemable at various intervals, but in some cases may not be redeemable until the termination of the Underlying Funds. As each Top Fund has a long-term investment horizon, each Top Fund is able to manage its own liquidity requirements taking into consideration the frequency at which the securities of the Underlying Funds may be redeemed.
19. The net asset value of each Top Fund (“NAV”) is calculated on a monthly or quarterly basis, as of the last business day of each month or quarter, as applicable (the “Valuation Date”). Investors of each Top Fund are

provided with the NAV on a monthly or quarterly basis within 45 days (where the NAV is provided monthly) or 90 days (where the NAV is provided quarterly) of each Valuation Date.

20. The holdings of each Top Fund in securities of the Underlying Funds will be disclosed in the Financial Statements.

*Financial Statements*

21. Section 2.2 and subsection 5.1(2)(a) of NI 81-106 require the Top Funds to file and deliver their Annual Financial Statements to the securityholders by the Annual Filing Deadline. As the financial year-end for the Top Funds is December 31, they have a filing and delivery deadline of March 31.
22. Section 2.4 and subsection 5.1(2)(b) of NI 81-106 require the Top Funds to file and deliver their Interim Financial Statements to the securityholders by the Interim Filing Deadline. As the financial year-end for the Top Funds is December 31, they have an interim filing and delivery deadline of August 29.
23. Section 2.11 of NI 81-106 provides an exemption (the "**Filing Exemption**") from the obligation to file the Annual Financial Statements within the Annual Filing Deadline and the Interim Financial Statements within the Interim Filing Deadline if, among other things, an investment fund delivers its Annual Financial Statements and Interim Financial Statements in accordance with part 5 of NI 81-106.
24. The Top Funds require financial statements (audited in the case of the annual financial statements) of the respective Underlying Funds in order to finalize the information contained in the Top Funds' Financial Statements. The Filer will be unable to complete the Financial Statements and to submit them to the auditor in the case of the Annual Financial Statements or to determine the NAV in the case of the Interim Financial Statements, until the financial statements of the Underlying Funds are completed and available to the Top Funds.
25. The Underlying Funds may have varying financial year-ends and may be subject to a variety of financial reporting deadlines. Therefore, in most cases, the Top Funds will not be able to obtain the financial statements of the Underlying Funds sooner than the deadline for filing the Financial Statements and, in all cases, no sooner than other unitholders of the Underlying Funds receive the financial statements of the Underlying Funds.
26. The offering memorandum of each Top Fund that will be provided to investors will disclose that: (i) annual audited financial statements for the Top Fund will be delivered within 180 days of the Top Fund's financial year-end, and (ii) unaudited interim financial statements for the Top Fund will be delivered within 120 days following the end of each interim period of the Top Fund.
27. The Top Funds will notify their securityholders that they have received and intend to rely on the Requested Relief.
28. The Top Funds do not anticipate they will be able to meet the conditions of the Filing Exemption given that they do not expect to be able to deliver their Annual Financial Statements by the Annual Filing Deadline and their Interim Financial Statements by the Interim Filing Deadline. The Top Funds expect this timing delay in the completion of their Financial Statements to occur every year for the foreseeable future.
29. Each Top Fund therefore seeks an extension of the Annual Filing Deadline and Annual Delivery Requirement to permit delivery within 180 days of the Top Fund's most recently completed financial year, to enable the Top Fund's auditors to first receive the audited financial statements of the Underlying Funds so as to be able to prepare the Top Fund's Annual Financial Statements.
30. Each Top Fund also seeks an extension of the Interim Filing Deadline and Interim Delivery Requirement to permit delivery within 120 days of the Top Fund's most recently completed interim period, to enable the Top Fund to first receive the financial statements of the Underlying Funds so as to be able to determine the NAV and prepare the Top Fund's Interim Financial Statements.

**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 Requested Relief is granted to a Top Fund for so long as:

1. The Top Fund has a financial year ending December 31;

## B.2: Orders

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2. The Top Fund's investment strategy is to primarily invest its assets in private investment entities managed by independent managers;
3. The Top Fund invests the majority of its assets in Underlying Funds;
4. No less than 25% of the total assets of the Top Fund at the time the Top Fund makes an initial investment decision in an Underlying Fund, are invested in investment entities that have financial reporting periods that end on December 31 of each year and are subject to laws of their jurisdictions that require annual financial statements to be delivered within 120 days of their financial year ends and interim financial statements to be delivered between 60 and 90 days of their most recent interim period.
5. The offering memorandum provided to securityholders regarding the Top Fund discloses that:
  - a. the Annual Financial Statements of the Top Fund will be filed and delivered on or before the 180th day after the Fund's most recently completed financial year; and
  - b. the Interim Financial Statements of the Fund will be filed and delivered on or before the 120th day after the Fund's most recently completed interim period.
6. The Top Fund notifies its securityholders that it has received and intends to rely on relief from the filing and delivery requirements under section 2.2, 2.4 and subsections 5.1(2)(a) and 5.1(2)(b) of NI 81-106.
7. The Top Fund is not a reporting issuer and the Filer has the necessary registrations to carry out its operations in each jurisdiction of Canada in which it operates.
8. The conditions in section 2.11 of NI 81-106 are met, except for subsection 2.11(b), and:
  - a. the Annual Financial Statements are delivered to securityholders in accordance with Part 5 of NI 81-106 on or before the 180th day after the Top Fund's most recently completed financial year; and
  - b. the Interim Financial Statements are delivered to securityholders on or before 120 days after the Top Fund's most recently completed interim period.
9. The Requested Relief terminates within one year of the coming into force of any amendment to NI 81-106 or other rule that modifies how the Annual Filing Deadline, Annual Delivery Requirement, Interim Filing Deadline, or Interim Delivery Deadline Requirement applies in connection with mutual funds under the Legislation.

"Darren McKall"  
Manager, Investment Funds and Structured Products Branch  
Ontario Securities Commission

OSC File #: 2022/0329

**B.2.3 Genesis Metals Corp.**

**Headnote**

Multilateral Instrument 11-102 Passport System and National Policy 11-206 Process for Cease to be a Reporting Issuer Applications – Securities Act s. 88 Cease to be a reporting issuer in BC – The securities of the issuer are beneficially owned by not more than 50 persons and are not traded through any exchange or market – The issuer is not an OTC reporting issuer; the securities of the issuer are beneficially owned by fewer than 15 securityholders in each of the jurisdictions of Canada and fewer than 51 securityholders worldwide; no securities of the issuer are traded on a market in Canada or another country; the issuer is not in default of securities legislation.

**Applicable Legislative Provisions**

Securities Act, R.S.B.C. 1996, c. 418, s. 88.

**August 23, 2022**

**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  
GENESIS METALS CORP.  
(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 and Manitoba; 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 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.

“Noreen Bent”  
Chief, Corporate Finance Legal Services  
British Columbia Securities Commission

OSC File #: 2022/0373

#### B.2.4 Perimeter Medical Imaging AI, Inc.

##### Headnote

Subsection 1(11)(b) – Order that the issuer is a reporting issuer for the purposes of Ontario securities law – Issuer is already a reporting issuer in British Columbia and Alberta – Issuer's securities listed for trading on the TSX Venture Exchange – Continuous disclosure requirements in British Columbia and Alberta are substantially the same as those in Ontario – Issuer has a significant connection to Ontario.

##### Statutes Cited

Securities Act, R.S.O. 1990, c. S.5, as am., s. 1(11)(b).

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

**AND**

**IN THE MATTER OF  
PERIMETER MEDICAL IMAGING AI, INC.  
(the Applicant)**

**ORDER**

**UPON** the application of the Applicant to the Ontario Securities Commission (the **Commission**) for an order pursuant to paragraph 1(11)(b) of the Act that, for the purposes of Ontario securities law, the Applicant is a reporting issuer in Ontario;

**AND UPON** considering the application and the recommendation of the staff of the Commission;

**AND UPON** the Applicant having represented to the Commission as follows:

1. The Applicant is a company governed by the *Business Corporations Act* (British Columbia), with its head office located at 8585 N. Stemmons Freeway Suite 106N, Dallas, Texas, 75247.
2. The Applicant was amalgamated under the laws of the Province of British Columbia on June 29, 2020 in connection with the reverse take-over, by plan of arrangement, of New World Resource Corp. (the **Arrangement**).
3. New World Resource Corp. appears to have become a reporting issuer in September 1999 and commenced trading on the Vancouver Stock Exchange under the name Dasher Energy Corp. (as it was then called). In November 1999 the Vancouver Stock Exchange merged along with the Alberta Stock Exchange into the Canadian Venture Exchange which was renamed as the TSX Venture Exchange (the **TSXV**) in 2001. At the time of the Arrangement, New World Resource Corp. was a reporting issuer in British Columbia and Alberta.
4. The Applicant maintains a Canadian office at 359 Eastern Avenue Suite 110, Toronto, Ontario, M4M 1B7.
5. The authorized capital of the Applicant consists of an unlimited number of common shares (**Common Shares**). As of the date hereof, the Applicant has the following issued and outstanding securities: (i) 44,714,204 Common Shares; (ii) 4,426,113 Common Share purchase warrants and (iii) 6,004,271 options to purchase Common Shares.
6. The Common Shares are traded on the TSXV under the symbol "PINK", on the Frankfurt Stock Exchange under the symbol "4PC" and on the OTC Markets Group Inc.'s Pink Open Market under the symbol "PYNKF". As of the date hereof, the Common Shares are not traded on any other stock exchange or trading or quotation system.
7. No other securities of the Applicant are listed, traded or quoted on any stock exchange or trading or quotation system.
8. The Applicant is a reporting issuer under the *Securities Act* (British Columbia) (the **BC Act**) and the *Securities Act* (Alberta) (the **Alberta Act**). The Applicant, as the successor entity of a reverse takeover transaction became a reporting issuer in British Columbia and Alberta on June 29, 2020.
9. The Applicant is not a reporting issuer or equivalent in any jurisdiction other than British Columbia and Alberta.

10. The Applicant's principal regulator is the British Columbia Securities Commission. The Commission will be the principal regulator of the Applicant once it has obtained reporting issuer status in Ontario. Upon granting of this Order, the Applicant will amend its profile on the System for Electronic Document Analysis and Retrieval (**SEDAR**) to indicate that the Commission is its principal regulator.
11. The Applicant is not on the lists of defaulting reporting issuers maintained pursuant to the BC Act or the Alberta Act, and is not in default of any requirement under the BC Act or the Alberta Act, or the rules and regulations made thereunder.
12. The Applicant is subject to the continuous disclosure requirements of the BC Act and the Alberta Act. The continuous disclosure requirements under the BC Act and the Alberta Act are substantially the same as the continuous disclosure requirements under the Act.
13. The continuous disclosure materials filed by the Applicant under the BC Act and the Alberta Act are available on SEDAR.
14. Pursuant to section 18 of Policy 3.1 of the TSX Venture Exchange Corporate Finance Manual (the **TSXV Manual**), a listed-issuer, which is not otherwise a reporting issuer in Ontario, must assess whether it has a "Significant Connection to Ontario" (as defined in Policy 1.1 of the TSXV Manual) and, upon becoming aware that it has a significant connection to Ontario, promptly make a bona fide application to the Commission to be designated a reporting issuer in Ontario.
15. At the time of the Arrangement, the Applicant determined that it has a "Significant Connection to Ontario" in accordance with the policies of the TSXV as more than 20% of the issued and outstanding Common Shares are owned by registered and beneficial shareholders resident in Ontario. Upon the completion of the Arrangement, the Applicant provided the TSXV with an undertaking to apply and become a reporting issuer in Ontario within 6 months of completing the Arrangement, all pursuant to section 18 of Policy 3.1 of the TSXV Manual (the **Undertaking**).
16. The Applicant did not apply to become a reporting issuer in Ontario within 6 months of completing the Arrangement and, as a result, is in default of the Undertaking and of section 18 of Policy 3.1 of the TSXV Manual (the **Default**).
17. Other than as set out above in representation 16, the Applicant is not in default under any of the rules, regulations or policies of the TSXV, the Frankfurt Stock Exchange or the OTC Markets Group Inc.'s Pink Open Market. The Applicant notified the TSXV of the Default and is actively pursuing compliance with the requirement to become a reporting issuer in Ontario through the application for this Order.
18. Neither the Applicant nor any of its officers, directors or any shareholder holding sufficient securities of the Applicant to affect materially the control of the Applicant, has:
  - a. been subject to any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority;
  - b. entered into a settlement agreement with a Canadian securities regulatory authority; or
  - c. been subject to any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor making an investment decision.
19. Neither the Applicant nor any of its officers, directors or any shareholder holding sufficient securities of the Applicant to affect materially the control of the Applicant, is or has been subject to:
  - a. any known ongoing or concluded investigations by:
    - i. a Canadian securities regulatory authority; or
    - ii. a court or regulatory body, other than a Canadian securities regulatory authority, that would be likely to be considered important to a reasonable investor making an investment decision; or
  - b. any bankruptcy or insolvency proceedings, or other proceedings, arrangements or compromises with creditors, or the appointment of a receiver, receiver-manager or trustee, within the preceding 10 years.
20. Mr. Hugh Cleland, a Director of the Applicant, previously served as a director of American Solar Direct Inc. between September 2013 and March 2017. In June 2017, American Solar Direct Inc. filed for bankruptcy with the U.S. Bankruptcy Court in the Central District of California (Los Angeles).

## B.2: Orders

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21. Dr. Anthony Holler, Chairman of the Applicant, is a founding shareholder and the current Chief Executive Officer and Chairman of the Board of Sunniva Inc. In June 2020, Sunniva Inc. became the subject of a cease trade order, that continues to persist, for its inability to file periodic disclosure required by applicable securities legislation.
22. Other than as set out above in representations 20 and 21, none of the officers or directors of the Applicant or any shareholder holding sufficient securities of the Applicant to affect materially the control of the Applicant, is or has been at the time of such event an officer or director of any other issuer which is or has been subject to:
  - a. any cease trade order or similar order, or order that denied access to any exemptions under Ontario securities law, for a period of more than 30 consecutive days, within the preceding 10 years; or
  - b. any bankruptcy or insolvency proceedings, or other proceedings, arrangements or compromises with creditors, or appointment of a receiver, receiver-manager or trustee, within the preceding 10 years.

**AND UPON** the Commission being satisfied that granting this Order would not be prejudicial to the public interest;

**IT IS HEREBY ORDERED** pursuant to paragraph 1(11)(b) of the Act that the Applicant is a reporting issuer for the purposes of Ontario securities law.

**DATED** this 24th day of August, 2022.

“Erin O’Donovan”  
Manager, Corporate Finance  
Ontario Securities Commission

OSC File #: 2021/0427

### B.2.5 Essex Oil Ltd.

#### Headnote

Section 144 of the Securities Act (Ontario) – application for a partial revocation of a cease trade order – issuer cease traded due to failure to file audited annual financial statements – issuer has applied for a partial revocation of the cease trade order to permit the issuer to proceed with a private placement to accredited investors and family, friend or business associates and of the issuer – issuer will use proceeds from the private placement to bring itself into compliance with its continuous disclosure obligations, pay outstanding filing fees and for working capital purposes – partial revocation granted subject to conditions.

#### Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., s. 144.

National Policy 11-207 Failure-to-File Cease Trade Orders and Revocations in Multiple Jurisdictions.

#### IN THE MATTER OF ESSEX OIL LTD.

#### PARTIAL REVOCATION ORDER

#### Under the securities legislation of Ontario (the Legislation)

#### Background

1. Essex Oil Ltd. (the **Issuer**) is subject to a failure-to-file cease trade order (the **FFCTO**) issued by the Ontario Securities Commission, its principal regulator (the **Principal Regulator**) on November 3, 2016.
2. The issuer has applied to the Principal Regulator for a partial revocation order of the FFCTO (the **Order**).

#### Interpretation

Terms defined in National Instrument 14-101 Definitions or in National Policy 11-207 *Failure-to-File Cease Trade Orders and Revocations in Multiple Jurisdictions* (**NP 11-207**) have the same meaning if used in this Order, unless otherwise defined.

#### Representations

3. This decision is based on the following facts represented by the Issuer:
  - (a) The Issuer was incorporated as “Essex Oil Ltd.” under the *Business Corporations Act* (Ontario) on November 14, 2008. The Issuer is the result of an amalgamation between Titan Employment Services Ltd. and Adelaide Global Corp.
  - (b) The Issuer's registered office is located at 44 Victoria Street, Suite 1102, Toronto, Ontario, M5C 1Y2, and its principal place of business is located at 31 Sunset Trail, Toronto, Ontario, M9M 1J4.
  - (c) The Issuer is a reporting issuer under the securities legislation of the province of Ontario. The Issuer is not a reporting issuer in any other jurisdiction in Canada.
  - (d) The Issuer's authorized share capital consists of an unlimited number of common shares (the **Common Shares**). The Issuer currently has 26,090,914 Common Shares issued and outstanding. Other than the issued and outstanding Common Shares, the Issuer has no securities outstanding.
  - (e) The Issuer's securities are not listed on any stock exchange or quotation system. The Issuer was previously listed on the CNSX, under the trading symbol ESX. On January 6, 2014, the CNSX changed its name to the Canadian Securities Exchange (the **CSE**). On June 29, 2007, trading in the securities of the Issuer was halted. The Issuer was subsequently delisted from the CSE.
  - (f) The FFCTO was issued as a result of the Issuer's failure to file the following continuous disclosure materials as required by Ontario securities law:
    - a. audited financial statements for the year ended June 30, 2016;
    - b. management's discussion and analysis (**MD&A**) relating to the audited annual financial statements for the year ended June 30, 2016; and

- c. the certification of the foregoing filings as required by National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings* (**NI 52-109**)

(Collectively, the **Required Annual Filings**).

- (g) The Required Annual Filings were not filed as a result of financial difficulties. On March 2, 2015, the Issuer announced that due to a decline in oil prices, the Issuer was not able to raise necessary funds and decided to terminate its oil and gas operations. The Issuer has not been in operation since that time.
- (h) Subsequent to the failure to file the Required Annual Filings, the Issuer also failed to file the following required filings:
- a. annual audited financial statements for the years ended June 30, 2017 to June 30, 2021;
  - b. interim unaudited financial statements for the interim periods ended September 30, 2016, to March 31, 2022;
  - c. MD&A relating to the financial statements referred to in subparagraphs a. and b. above;
  - d. certificates required to be filed in respect of the financial statements referred to in subparagraphs a. and b. above under NI 52-109;
  - e. disclosure required by Form 51-102F6V *Statement of Executive Compensation - Venture Issuers* for the years ended June 30, 2016 to June 30, 2021;
  - f. disclosure required by Form 52-110F2 *Disclosure by Venture Issuers*, for the years ended June 30, 2016 to June 30, 2021; and
  - g. disclosure required by Form 58-101F2 *Corporate Governance Disclosure (Venture Issuers)*, for the years ended June 30, 2016 to June 30, 2021.

(Together with the Required Annual Filings, the **Required Filings**).

- (i) The Issuer has failed to pay certain fees to the Principal Regulator including, but not limited to, those in connection with the Required Filings (the **Outstanding Fees**).
- (j) The Issuer is seeking a partial revocation of the FFCTO to be able to complete a private placement of up to 75,000,000 Common Shares in the province of Ontario (the **Transaction**), at a price of C\$0.002 per Common Share. The private placement will consist of Robert Salna along with Robert Wyllie subscribing for a total principal amount of \$150,000 CDN (the **Subscribers**). Mr. Robert Salna is not a director or officer of the Issuer and currently owns 24,526 Common Shares directly and indirectly. Mr. Robert Wyllie is a director of the Issuer and currently owns 620,000 Common Shares of the Issuer. After the Transaction, Mr. Salna will own directly or indirectly an additional 72,500,000 Common Shares with a final total of 72,524,526 Common Shares representing 71.7% of the outstanding Common Shares post Transaction. Mr. Wyllie will own an additional 2,500,000 Common Shares with a final total of 3,120,000 Common Shares representing 3% of the outstanding Common Shares post Transaction.
- (k) Robert Wyllie, a director of the issuer, is a "related party" (as that term is defined in Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions* (**MI 61-101**)) and the Transaction is a "related party transaction" pursuant to subsection (g) of the definition of that term in MI 61-101. The Issuer is relying on exemptions from the formal valuation and minority shareholder approval requirements available under MI 61-101. The Issuer is exempt from the formal valuation requirement in section 5.4 of MI 61-101 in reliance on section 5.5(b) of MI 61-101 as the Issuer is not listed on a specified market. Additionally, the Issuer is exempt from the minority shareholder approval requirement in section 5.6 of MI 61-101 in reliance on section 5.7(b) of MI 61-101 as the fair market value of the Transaction is not more than \$2,500,000. There are no approvals in respect of, or in connection with, the Transaction that must be obtained at a meeting of securityholders of the Issuer.
- (l) The Issuer intends to complete the Transaction to enable the Issuer to raise sufficient funds to bring its continuous disclosure record up to date by filing the Required Filings, pay the Outstanding Fees, apply to the Principal Regulator for a full revocation of the FFCTO within a reasonable time following completion of the Transaction, and provide working capital.

- (m) The Transaction will be conducted on a prospectus exempt basis with subscribers in Ontario who satisfy the requirements of sections 2.3 (*Accredited Investor*) and 2.5 (*Family, Friends, and Business Associates*) of National Instrument 45-106 *Prospectus Exemptions*.
- (n) The Issuer is not currently involved in any discussions relating to a reverse take-over, merger, amalgamation or other form of combination or transaction similar to any of the foregoing.
- (o) Other than the failure to file the Required Filings and the failure to pay the Outstanding Fees, the Issuer is not in default of any of the requirements of the *Securities Act* (Ontario) or the rules and regulations made pursuant thereto. The Issuer is not in default of the FFCTO. The Issuer's SEDAR and SEDI profiles are up to date.
- (p) The Issuer intends to allocate the proceeds from the Transaction as follows:

<b>Description</b>	<b>Cost</b>
Initial working capital post revocation order (6 months)	\$20,000
News Releases and other document filing fees (material change report, interims, personal information forms, etc.)	\$5,000
2022 Annual General Meeting costs	\$5,000
Auditor Fees	\$9,000
Transfer agent	\$5,000
Legal fees, accounting fees, and General administrative expense related to the filing of all outstanding continuous disclosure documents	\$40,000
Costs associated with the Transaction	\$0
HST (13%)	\$10,920
<b>NON-HST ITEMS</b>	
Partial Revocation Application	\$4,800
Regulatory late filing, participation fees, and full revocation application	\$49,000
Miscellaneous	\$1,280
<b>Total:</b>	<b>\$150,000</b>

- (q) The Issuer reasonably believes that the Transaction will be sufficient to bring its continuous disclosure obligations up to date, pay the Outstanding Fees, apply for a full revocation of the FFCTO, and provide it with sufficient working capital to continue its business.
- (r) As the Transaction would involve a trade of securities and acts in furtherance of trades, the Transaction cannot be completed without a partial revocation of the FFCTO.
- (s) Since the issuance of the FFCTO, there have not been any material changes in the business, operations or affairs of the Issuer that have not been disclosed to the public.
- (t) The Transaction will be completed in accordance with all applicable laws.
- (u) Prior to completion of the Transaction, the Issuer will:
  - a. provide all participants in the Transaction with the following:
    - i. a copy of the FFCTO; and
    - ii. a copy of this Order; and
  - b. obtain, and provide upon request to the Principal Regulator, from each participant in the Transaction a signed and dated acknowledgment which clearly states that all of the Issuer's securities, including the securities issued in connection with the Transaction, will remain subject to the FFCTO, and that the issuance of a partial revocation order does not guarantee the issuance of a full revocation order in the future.

- (v) Upon the issuance of this Order, the Issuer will issue a press release announcing the order and the intention to complete the Transaction as well as file a material change report. Upon completion of the Transaction, the Issuer will issue a press release and file a material change report. As other material events transpire, the Issuer will issue appropriate press releases and file a material change report as applicable.

**Order**

- 4. The Principal Regulator is satisfied that a partial revocation of the FFCTO meets the test set out in the Legislation for the Principal Regulator to make the decision.
- 5. The decision of the Principal Regulator under the Legislation is that the FFCTO is partially revoked solely to permit the trades in securities of the Issuer (including for greater certainty, acts in furtherance of trades in securities of the Issuer) that are necessary for and are in connection with the Transaction, provided that:
  - (a) prior to completion of the Transaction, the Issuer will:
    - (i) provide to each subscriber under the Transaction a copy of the FFCTO;
    - (ii) provide to each subscriber under the Transaction a copy of this Order; and
    - (iii) obtain from each subscriber under the Transaction a signed and dated acknowledgment, which clearly states that all of the Issuer's securities, including the Common Shares issued in connection with the Transaction, will remain subject to the FFCTO, and that the issuance of a partial revocation order does not guarantee the issuance of a full revocation order in the future;
  - (b) the issuer will make available a copy of the written acknowledgements referred to in paragraph 5(a)(iii) to staff of the Principal Regulator on request;
  - (c) this Order only varies the FFCTO and does not provide an exemption from the prospectus requirement; and
  - (d) this Order will terminate on the earlier of (A) the closing of the Transaction and (B) 60 days from the date hereof.

**DATED** this 29th day of August, 2022.

“Erin O’Donovan”  
Manager, Corporate Finance  
Ontario Securities Commission

OSC File #: 2022/0316

**B.2.6 Knowledge First Financial Inc. and Heritage Plans**

**Headnote**

National Policy 11-206 Process for Cease to be a Reporting Issuer Applications – Application for an order that a scholarship plan is not a reporting issuer under applicable securities law – relief granted.

**Applicable Legislative Provisions**

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

**August 29, 2022**

**IN THE MATTER OF  
THE SECURITIES LEGISLATION OF  
ONTARIO  
(the Jurisdiction)**  
**AND**  
**IN THE MATTER OF  
THE PROCESS FOR CEASE TO BE  
A REPORTING ISSUER APPLICATIONS**  
**AND**  
**IN THE MATTER OF  
KNOWLEDGE FIRST FINANCIAL INC.  
(the Filer)**  
**AND**  
**HERITAGE PLANS  
(the Plan)**  
**ORDER**

**Background**

The principal regulator in the Jurisdiction has received an application from the Filer, on behalf of the Plan, for an order under the securities legislation of the Jurisdiction of the principal regulator (the **Legislation**) that the Plan has ceased to be a reporting issuer in all jurisdictions of Canada in which the Plan is a reporting issuer (the **Order Sought**).

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

- a) the Ontario Securities Commission is the principal regulator for this application, and
- 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 each of the other provinces and territories of Canada.

**Interpretation**

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**

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

1. the Plan 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 Plan, 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 Plan, 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 Plan has ceased to be a reporting issuer in all of the jurisdictions of Canada in which the Plan is a reporting issuer; and
5. the Plan is not in default of securities legislation in any jurisdiction.

**Order**

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

The decision of the principal regulator under the Legislation is that the Order Sought is granted.

“Darren McKall”  
Manager,  
Investment Funds and Structured Products Branch  
Ontario Securities Commission

OSC File #: 2022/0385

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## B.3 Reasons and Decisions

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### B.3.1 Maxam Capital Management Ltd. et al.

#### Headnote

Multilateral Instrument 11-102 Passport System and National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions.

National Instrument 81-102 Investment Funds (NI 81-102), s. 19.1 – Exemption from requirements of past performance data in sales communications in Part 15 of NI 81-102 – Before becoming a reporting issuer, the fund did not deviate from NI 81-102 investment restrictions and its past performance is reflective of how the fund would have performed as a reporting fund; the fund's prior cost expenses are not materially different from a reporting fund; the fund discloses in the sales communications, fund facts document and MRFP that the past performance data is from a period when the fund was not a reporting issuer and that its expenses would have been higher had it been a reporting issuer; the manager posts on its website and makes available to investors the financial statements of the fund for all periods for which it is using the past performance.

National Instrument 81-101 Mutual Fund Prospectus Disclosure (NI 81-101), s. 6.1 – Exemption from the fund facts form requirement in order to include past performance data - Before becoming a reporting issuer, the fund did not deviate from NI 81-102 investment restrictions and its past performance is reflective of how the fund would have performed as a reporting fund; the fund's prior cost expenses are not materially different from a reporting fund; the fund discloses in the sales communications, fund facts document and MRFP that the past performance data is from a period when the fund was not a reporting issuer and that its expenses would have been higher had it been a reporting issuer; the manager posts on its website and makes available to investors the financial statements of the fund for all periods for which it is using the past performance.

National Instrument 81-106 Investment Fund Continuous Disclosure (NI 81-106), s. 17.1 – Exemption from the MRFP form requirement in order to include past performance data – Before becoming a reporting issuer, the fund did not materially deviate from NI 81-102 investment restrictions and its past performance is reflective of how the fund would have performed as a reporting fund; the fund's prior cost expenses are not materially different from a reporting fund; the fund discloses in the sales communications, fund facts document and MRFP that the past performance data is from a period when the fund was not a reporting issuer and that its expenses would have been higher had it been a reporting issuer; the manager posts on its website and makes available to investors the financial statements of the fund for all periods for which it is using the past performance.

Exemption from Purchase and Redemption Requirements – An investment fund wants relief from the purchase and redemption restrictions in NI 81-102 to permit consolidated processing of purchase and redemption orders – The fund's purchase and redemption orders are consolidated into monthly orders; the fund's simplified prospectus and fund facts will describe the purchase/redemption structure.

An alternative mutual fund wants relief from the short selling restriction in NI 81-102 that prohibits an alternative mutual fund or a non-redeemable investment fund from selling a security short if the aggregate market value of all securities sold short by the fund exceeds 50% of the fund's net asset value (NAV) – the fund will be restricted to short sell securities up to an aggregate market value of 100% of the fund's NAV; the fund will continue to comply with the requirements in NI 81-102 that permit the fund to borrow cash, short sell and enter into specified derivatives transactions (which can be set up to mimic leverage and short transactions) up to a limit of 300% of the fund's NAV; if the relief results in a material change or change to the fund's risk rating, the fund will comply with applicable requirements under securities legislation; the fund will disclose the material terms of the relief in its investor facing materials.

An alternative mutual fund wants relief from the borrowing restriction in NI 81-102 that prohibits an alternative mutual fund or a non-redeemable investment fund from borrowing cash if the aggregate value of all outstanding borrowing by the fund exceeds 50% of the fund's net asset value (NAV) – the fund will be restricted to borrow cash to an aggregate value of 100% of the fund's NAV; the fund will continue to comply with the requirements in NI 81-102 that permit the fund to borrow cash, short sell and enter into specified derivatives transactions (which can be set up to mimic leverage and short transactions) up to a limit of 300% of the fund's NAV; if the relief results in a material change or change to the fund's risk rating, the fund will comply with applicable requirements under securities legislation; the fund will disclose the material terms of the relief in its investor facing materials.

An alternative mutual fund wants relief from the restriction in NI 81-102 that prohibits an investment fund from borrowing cash or selling securities short if the aggregate value of cash borrowed combined with the aggregate market value of all securities sold short by the fund exceeds 50% of the fund's net asset value (NAV) – the fund will be restricted to borrow cash and/or short sell to an aggregate value of 100% of the fund's NAV; the fund will continue to comply with the requirements in NI 81-102 that permit

the fund to borrow cash, short sell and enter into specified derivatives transactions (which can be set up to mimic leverage and short transactions) up to a limit of 300% of the fund's NAV; if the relief results in a material change or change to the fund's risk rating, the fund will comply with applicable requirements under securities legislation; the fund will disclose the material terms of the relief in its investor facing materials.

Exemption from Custodial Requirements for Short Sale Collateral – An alternative mutual fund wants relief from the custodial requirement in subsection 6.1(1) of NI 81-102 to permit the fund to deposit portfolio assets exceeding 25% of the fund's NAV with a single borrowing agent that is not the fund's custodian or sub-custodian – prime brokers often retain short sale proceeds as collateral; the relief is needed to permit funds to deposit portfolio assets with a single prime broker; alternative mutual funds typically use strategies that more heavily use short selling.

### **Applicable Legislative Provisions**

National Instrument 81-101 Mutual Fund Prospectus Disclosure, ss. 2.1 and 6.1.

National Instrument 81-102 Investment Funds, ss. 2.6, 2.6.1, 2.6.2 and 19.1.

National Instrument 81-106 Investment Fund Continuous Disclosure, ss. 4.4 and 17.1.

August 2, 2022

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

**AND**

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

**AND**

**IN THE MATTER OF  
MAXAM CAPITAL MANAGEMENT LTD.  
(the Filer)**

**AND**

**IN THE MATTER OF  
MAXAM DIVERSIFIED STRATEGIES FUND  
(the MDS Fund)**

**AND**

**IN THE MATTER OF  
MAXAM ARBITRAGE FUND  
(the MA Fund, and collectively with the MDS Fund, the Funds)**

**DECISION**

### **Background**

¶ 1 The securities regulatory authority or regulator in each of the Jurisdictions (Decision Maker) has received an application from the Filer for a decision under the securities legislation of the Jurisdictions (the Legislation) for relief:

In respect of the MDS Fund, exempting the MDS Fund from:

- (a) sections 15.3(2), 15.6(1)(a)(i) and 15.6(1)(d) of National Instrument 81-102 *Investment Funds* (NI 81-102) to permit the MDS Fund to include performance data in sales communications although:
  - i. the performance data relates to a period prior to the MDS Fund offering its securities under a simplified prospectus, and
  - ii. the MDS Fund has not distributed its securities under a prospectus for 12 consecutive months;

- (b) section 2.1 of National Instrument 81-101 *Mutual Funds Prospectus Disclosure* (NI 81-101) for the purposes of the relief granted in this decision from Form 81-101F3 *Contents of Fund Facts Document* (Form 81-101F3);
- (c) Items 5(2), 5(3) and 5(4), and Instructions (1) and (5) of Part I of Form 81-101F3 in respect of the requirement to comply with sections 15.3(2), 15.6(1)(a)(i) and 15.6(1)(d) of NI 81-102 to permit the MDS Fund to include in its fund facts past performance data of the MDS Fund although:
  - i. the performance data relates to a period prior to the MDS Fund offering its securities under a simplified prospectus, and
  - ii. the MDS Fund has not distributed its securities under a simplified prospectus for 12 consecutive months;
- (d) section 4.4 of National Instrument 81-106 *Investment Fund Continuous Disclosure* (NI 81-106) for the purposes of the relief granted in this decision from Form 81-106F1 *Contents of Annual and Interim Management Report of Fund Performance* (Form 81-106F1);
- (e) Items 3.1(7) and 4.1(1) in respect of the requirement to comply with section 15.3(2) of NI 81-102, 4.1(2), 4.2(1), 4.3(1) and 4.3(2) of Part B of Form 81-106F1 and Items 3(1) and 4 of Part C of Form 81-106F1 to permit the MDS Fund to include in its annual and interim management reports of fund performance (individually an MRFP and collectively, the MRFPs) past performance data although such performance data relates to a period prior to the MDS Fund offering its securities under a simplified prospectus (collectively, the Past Performance Relief);
- (f) section 9.3(1) of NI 81-102, to permit the MDS Fund to process purchase orders for its units, as described in its simplified prospectus and fund facts, on a monthly basis at their class net asset value per unit calculated as at the last Valuation Date (as defined below) of the calendar month in which the purchase order for such units is received or deemed to be received (the Purchase Relief);
- (g) section 10.3(1) of NI 81-102, to permit the MDS Fund to process redemption orders for its units, as described in its simplified prospectus and fund facts, which were received by MDS Fund with at least 15 business days prior written notice, on a monthly basis, redeeming such units at their class net asset value per unit calculated on the last Valuation Date (as defined below) of each calendar month in which the redemption order for such units is received (the Redemption Relief);

*In respect of the Funds, exempting the Funds from:*

- (h) the following restrictions of NI 81-102 to permit the Funds to sell securities short and/or borrow cash up to a combined aggregate total of 100% of the net asset value (NAV) of the Fund:
  - i. subparagraph 2.6.1(1)(c)(v), which restricts a Fund from selling a security short if, at the time, the aggregate market value of all securities sold short by a Fund exceeds 50% of the Fund's NAV (together with (h)(iii) below, the Short Selling Limit);
  - ii. subparagraph 2.6(2)(c), which restricts a Fund from borrowing cash if the value of cash borrowed, when aggregated with the value of all outstanding borrowing by a Fund, exceeds 50% of the Fund's NAV (together with (h)(iii) below, the Cash Borrowing Limit);
  - iii. section 2.6.2, which restricts a Fund from borrowing cash or selling securities short if, immediately after entering into a cash borrowing or short selling transaction, the aggregate value of cash borrowed combined with the aggregate market value of all securities sold short by the Fund (the Combined Aggregate Value) would exceed 50% of the Fund's NAV and which requires the Fund, if the Combined Aggregate Value exceeds 50% of the Fund's NAV, as quickly as commercially reasonable, to take all necessary steps to reduce the Combined Aggregate Value to 50% or less of the Fund's NAV; and

((h)(i) and (ii) together, the Short Selling Relief and (h)(ii) and (iii) together, the Cash Borrowing Relief)
- (i) the requirement in subsection 6.1(1) of NI 81-102 that, except as provided, all portfolio assets of a Fund be held under the custodianship of one qualified custodian, to permit the Fund to deposit portfolio assets with a borrowing agent that is not the Fund's custodian or sub-custodian in connection with a short sale of securities, if the aggregate market value of the portfolio assets held by the borrowing agent after such deposit, excluding the aggregate market value of the proceeds from outstanding short sales of securities held by the borrowing agent, does not exceed 25% of the NAV of the Fund at the time of deposit;

(the Short Sale Collateral Relief, and collectively with the Past Performance Relief, the Redemption Relief, the Short Selling Relief, and the Cash Borrowing 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 the Application;
- (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 Alberta, Saskatchewan, Manitoba, New Brunswick, Nova Scotia, Prince Edward Island, Newfoundland, Northwest Territories, Yukon 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.

**Representations**

- ¶ 3 This decision is based on the following facts represented by the Filer:
- 1. the MA Fund is an open-end mutual fund established under the laws of British Columbia as a trust on August 11, 2020 (the MAF Inception Date) and is governed by a master mutual fund trust agreement dated August 11, 2020;
  - 2. the MDS Fund is an open-end mutual fund established under the laws of British Columbia as a trust on September 26, 2008 (the MDSF Inception Date) and is governed by a master mutual fund trust agreement dated September 26, 2008;
  - 3. each Fund is, or will be, an alternative mutual fund to which NI 81-102 applies;
  - 4. the Filer is a corporation organized under the laws of British Columbia with a head office in Vancouver, British Columbia;
  - 5. the Filer is registered as an investment fund manager in British Columbia and Ontario, as a portfolio manager in Alberta, British Columbia and Ontario, and as an exempt market dealer in Alberta, British Columbia, Manitoba, Ontario and Saskatchewan;
  - 6. the Filer is the trustee, manager, portfolio advisor and promoter of the Funds;
  - 7. the Filer and the Funds are not in default of securities legislation in any Canadian jurisdiction;

*The Past Performance Relief*

- 8. since the MDSF Inception Date, units of the MDS Fund have been offered to investors on a private placement basis in accordance with National Instrument 45-106 *Prospectus Exemptions (NI 45-106)*. During such period, the majority of units of the MDS Fund were distributed to investors who are “accredited investors” under NI 45-106 or to fully managed accounts;
- 9. the Fund intends to offer units of the MDS Fund to the public in the Jurisdictions pursuant to a simplified prospectus and fund facts documents (the IPO). The Fund has filed a preliminary simplified prospectus and fund facts for the MDS Fund with the securities regulator in each of the Jurisdictions and intends to file a final simplified prospectus and fund facts on or about August 18, 2022. Upon issuance of a receipt for the final simplified prospectus, the MDS Fund will become a reporting issuer in each of the Jurisdictions, and will become subject to the requirements of NI 81-102 and NI 81-106;
- 10. since the MDSF Inception Date, the MDS Fund has prepared audited annual and unaudited semi-annual financial statements in accordance with NI 81-106;
- 11. since the MDSF Inception Date, the MDS Fund has complied with the investment restrictions and practices contained in NI 81-102;
- 12. the MDS Fund will be managed substantially similarly after it becomes a reporting issuer as it was prior to becoming a reporting issuer. As a result of the MDS Fund becoming a reporting issuer:
  - (a) the MDS Fund’s investment objectives will not change;

- (b) the management fee charged to the MDS Fund will not change;
  - (c) the day-to-day administration of the MDS Fund will not change, other than to comply with the additional regulatory requirements associated with being a reporting issuer (none of which will impact the portfolio management of the MDS Fund); and
  - (d) the management expense ratio of the MDS Fund is not expected to increase by more than 0.10%, which the Filer considers to be an immaterial amount;
13. the Filer proposes to present the performance data of the MDS Fund for the time period since the MDSF Inception Date in sales communications pertaining to the MDS Fund;
  14. without the Exemption Sought, sales communications pertaining to the MDS Fund cannot include performance data of the MDS Fund that relate to a period prior to it becoming a reporting issuer;
  15. without the Exemption Sought, sales communications pertaining to the MDS Fund would not be permitted to include performance data until the MDS Fund has distributed securities under a simplified prospectus for 12 consecutive months;
  16. as a reporting issuer, the MDS Fund will be required under NI 81-101 to prepare and file fund facts;
  17. the Filer proposes to include in the fund facts for the MDS Fund past performance data in the disclosure required by Items 5(2), 5(3) and 5(4) under the sub-headings “Year-by-year returns”, “Best and worst 3-month returns” and “Average return”, respectively, related to periods prior to the MDS Fund becoming a reporting issuer. Without the Exemption Sought, the fund facts for the MDS Fund cannot include performance data of the MDS Fund that relate to a period prior to it becoming a reporting issuer;
  18. as a reporting issuer, the MDS Fund will be required under NI 81-106 to prepare and file MRFPs on an annual and interim basis;
  19. without the Exemption Sought, the MRFPs of the MDS Fund cannot include financial highlights and performance data of the Fund that relate to a period prior to it becoming a reporting issuer;
  20. the performance data and other financial data of the MDS Fund for the time period before it became a reporting issuer is significant and meaningful information for existing and prospective investors in making an informed decision whether to purchase or sell units of the MDS Fund;

*The Purchase Relief and Redemption Relief*

21. the MDS Fund’s NAV will be calculated at the close of regular trading, normally 4:00 p.m. (Eastern time) on a day the Toronto Stock Exchange is open (a Valuation Date);
22. the Filer will calculate the NAV for each Fund on a daily basis in order to meet its obligations under NI 81-106 regarding the use of derivatives, including the obligation to daily mark-to-market the value of its derivatives;
23. subsections 9.3(1) and 10.3(1) of NI 81-102 require that the purchase price and redemption price of a security of a mutual fund to which a purchase order and redemption order pertains, respectively, be the net asset value per security next determined after receipt by each Fund of the purchase order and redemption order, respectively;
24. as will be described in the MDS Fund’s simplified prospectus and fund facts, the MDS Fund will:
  - (a) process purchase orders monthly. Subscriptions received by the Filer by 1:00 p.m. (Pacific Standard time) on the last business day of each month will be processed on that business day at the class net asset value per unit calculated on that day; and
  - (b) process redemption orders for its units received at least 15 business days prior to the Valuation Date, on a monthly basis, redeeming such units at their class net asset value per unit calculated on the last Valuation Date of each calendar month in which the redemption order for such units is received;
25. the MDS Fund will pay the redemption proceeds for units that are the subject of a redemption order no later than 15 business days after the Valuation Date on which the redemption price was calculated;
26. the Filer has structured its mutual fund operations so that it can consolidate all purchase orders into one efficient monthly processing transaction and all redemption orders into one efficient monthly processing transaction. The Filer has determined that effecting such purchases and redemptions on a monthly basis strikes the best balance

between the needs of a unitholder to invest or access its assets in a timely and orderly manner, and the need to minimize the impact of such transactions on other unitholders in the MDS Fund;

27. the Filer believes that monthly redemptions will mitigate the costs of portfolio turnovers due to lower transaction costs in the form of brokerage commissions and the bid-ask spread. Further, it has determined that monthly redemptions will protect the MDS Fund from having to reduce positions at less than ideal times during potentially challenging market conditions. This will ensure that all unitholders of the MDS Fund will be treated fairly in instances where the MDS Fund is not able to unwind its portfolio holdings in an orderly manner to honour the redemption requests at the time;

*The Short Selling Relief and Cash Borrowing Relief*

28. the investment objectives of each Fund will differ but, in each case, key investment strategies which may be utilized by a Fund will include (a) the use of shorting strategies requiring the use of short selling in excess of the Short Selling Limit in order to achieve the investment objective of the Fund, and/or (b) the use of cash borrowing to provide additional investment exposure in connection with the investment strategies of the Fund in excess of the Cash Borrowing Limit;
29. the key investment strategies of the MA Fund include market-neutral strategies requiring the use of short selling in excess of the Short Selling Limit. The MDS Fund also uses market-neutral strategies to help offset or balance out portions of the fund's portfolio that have long notional exposure, and the fund's use of market-neutral strategies may require the use of short selling in excess of the Short Selling Limit. Market-neutral strategies are well-recognized for limiting market risk, balancing long and short positions within an investment portfolio with the objective of providing positive returns regardless of whether the broader market rises, falls or is flat. Market-neutral strategies are designed to have less volatility than the broader market when measured over medium to long-term periods. Market-neutral strategies also provide diversification to investors as returns are intended to be uncorrelated to the performance of the broader market – such strategies are designed to effectively remove any “beta” component from their returns and investment exposures;
30. as part of an investment strategy for each Fund, short positions can serve as both a hedge against exposure to a long position or a group of long positions and also as a source of returns with an offsetting long position or positions. The Funds will generally seek to generate an attractive risk/return profile independent of the direction of the broad equity markets. As such, at the portfolio level, these strategies will seek to hedge a Fund's exposure to the direction of broad equity markets, and to generate positive performance from the difference, specifically, the spread between the performance of the portfolio's long and short positions;
31. the ability to engage in additional short selling and cash borrowing in connection with the investment strategies of a Fund may provide material cost savings to the Fund compared to obtaining the same level of investment exposure through the use of specified derivatives while, at the same time, not increasing the overall level of risk to the Fund;
32. any short position entered into by each Fund will be consistent with the investment objectives and strategies of each Fund;
33. the costs to the Funds of engaging in physical short sales and cash borrowing are typically less when compared to the equivalent derivative transactions due to a number of factors that include:
  - (a) prime brokers typically have greater flexibility to offer more favourable financing terms a Fund in relation to the aggregate amount of the Fund's assets held in the prime brokerage margin account. Derivative instruments, such as futures contracts and over the counter (OTC) derivatives, are not held in a prime brokerage account and therefore reduce the ability of a Fund to obtain the most beneficial pricing terms available;
  - (b) margin requirements for derivative instruments are primarily based on the underlying investment exposure and, as a result, can be high; and
  - (c) certain derivative instruments (such as futures contracts) require cash or near cash securities (such as government treasuries) to be deposited with the counterparty as collateral. This would require a Fund to use these portfolio assets to satisfy collateral requirements rather than utilizing them in connection with the Fund's investment strategy;
34. the Funds may use cash borrowing as a more flexible and cost-efficient means of providing additional leverage for investment strategies such as merger arbitrage strategies where the use of derivative instruments to provide the same level of exposure may not be practical. In connection with such strategies, the Filer is typically required to respond in a timely manner to public disclosure relating to a transaction and market movements in

- the share price of the target and/or acquiror company. The use of cash borrowing in such circumstances provides an easily accessible tool which enables the Filer to implement the investment decision more quickly compared to the use of derivative instruments which provide the same level of exposure on a synthetic basis;
35. cash borrowing is more efficient to utilize on a day to day basis compared to derivative instruments which generally require a higher degree of negotiation and ongoing administration on the part of the Filer. The Cash Borrowing Relief would provide the Filer with access to a more functional source of additional leverage to utilize on behalf of the Funds at a lower cost which, in turn, would benefit investors;
36. the investment strategies of each Fund permit, or will permit, it to:
- (a) sell securities short provided that, at the time the Fund sells a security short (i) the aggregate market value of securities of any one issuer (other than "government securities" as defined in NI 81-102) sold short by the Fund does not exceed 10% of the NAV of the Fund and (ii) the aggregate market value of all securities sold short by the Fund does not exceed 100% of its NAV;
  - (b) borrow cash provided that, at the time, the value of cash borrowed when aggregated with the value of all outstanding borrowing by the Fund does not exceed 100% of the Fund's NAV;
  - (c) borrow cash or sell securities short, provided that the aggregate value of cash borrowed combined with the aggregate market value of the securities sold short by the Fund does not exceed 100% of the Fund's NAV (the Total Borrowing and Short Selling Limit). If the Total Borrowing and Short Selling Limit is exceeded, the Fund shall, as quickly as is commercially reasonable, take all necessary steps to reduce the aggregate value of cash borrowed combined with the aggregate market value of securities sold short to be within the Total Borrowing and Short Selling Limit; and
  - (d) borrow cash, sell securities short or enter into specified derivatives transactions, provided that immediately after entering into a cash borrowing, short selling or specified derivative transaction, the aggregate value of cash borrowed combined with the aggregate market value of securities sold short and aggregate notional amount of the Fund's specified derivatives positions (other than positions held for hedging purposes, as defined in NI 81-102) would not exceed 300% of the NAV of the Fund as set out in section 2.9.1 of NI 81-102 (the Leverage Limit). If the Leverage Limit is exceeded, the Fund shall, as quickly as is commercially reasonable, take all necessary steps to reduce the aggregate value of cash borrowed combined with the aggregate market value of securities sold short and the aggregate notional amount of the Fund's specified derivatives positions (other than positions held for hedging purposes) to be within the Leverage Limit;
37. an alternative mutual fund that is subject to NI 81-102 is permitted to take leveraged long and short positions using specified derivatives up to the Leverage Limit. As such, the Short Selling Relief and Cash Borrowing Relief would not be required if the Fund utilized solely specified derivatives (such as over-the-counter total return swaps) to obtain short exposure to the underlying securities or to provide additional investment exposure in connection with the Fund's investment strategies. NI 81-102 contemplates that alternative mutual funds may utilize shorting strategies using a combination of short sale transactions (subject to the Short Selling Limit) and specified derivative positions and obtain additional investment exposure using a combination of cash borrowing (subject to the Cash Borrowing Limit) and specified derivative positions subject, in all cases, to the Leverage Limit. Alternative mutual funds that were previously known as commodity pools provide 100% or 200% inverse exposure through the use of specified derivatives, which is consistent with the Leverage Limit and does not trigger the application of the Short Selling Limit or Cash Borrowing Limit for which the Filer is requesting exemptive relief. Accordingly, the Short Selling Relief and Cash Borrowing Relief would simply allow the Funds to do directly what they could otherwise do indirectly through the use of specified derivatives;
38. the Funds require the flexibility to enter into physical short positions and borrow cash when doing so is, in the opinion of the Filer, in the best interests of the applicable Fund and to not be obligated to utilize an equivalent short position or amount of leverage synthetically through the use of specified derivatives as a result of regulatory restrictions in NI 81-102 that the Filer believes do not provide any material additional benefit or protection to investors.
39. the Funds may use derivative instruments to synthetically achieve the exposure for which the Short Selling Relief and the Cash Borrowing Relief is requested. The Filer believes that the Short Selling Relief and the Cash Borrowing Relief would allow the Filer to more effectively manage each Fund's investment exposure by providing it with the ability to respond to market developments in a timely manner and enabling the Filer to reduce the related expenses incurred by the Funds. In addition, specified derivative options may not be readily available for certain securities, may be relatively illiquid or may require large capital commitments on the part of the Fund;

40. while there may be certain situations where using a synthetic short position may be preferable, physical short positions are typically less costly, because of the ability to execute trades with a larger number of counterparties, compared to a single counterparty for synthetic shorts. This can result in lower borrowing costs for the Fund and reduce its exposure to counterparty risk (e.g. counterparty default, counterparty insolvency and premature termination of derivatives) compared to a synthetic short position;
41. the Filer, as a registrant and a fiduciary, is in the best position to determine, depending on the surrounding circumstances, whether the Fund should enter into a physical short position and/or obtain additional investment exposure via cash borrowing versus achieving the same result through the use of specified derivatives. The Short Selling Relief and Cash Borrowing Relief would provide the Filer with the required flexibility to make timely trading decisions between physical and synthetic short sale positions and/or achieving additional investment exposure through cash borrowing or synthetic transactions. Accordingly, the Short Selling Relief and the Cash Borrowing Relief would permit the Filer to implement more effective portfolio management activities on behalf of a Fund and its investors. Investors would benefit by obtaining access to a more diversified set of investment opportunities than are currently available, while remaining within the overall investment limits set out in NI 81-102;
42. any physical short position or cash borrowing transaction entered into by a Fund will be consistent with the investment objectives and strategies of the applicable Fund.
43. the simplified prospectus and fund facts will comply with the applicable requirements of NI 81-101 for alternative mutual funds, including cover page text box disclosure in the fund facts to highlight how the Fund differs from other mutual funds and alternative mutual funds and emphasize that the short selling and cash borrowing strategies and increased ability to engage in short selling and cash borrowing permitted for the Fund are outside the scope of the restrictions in NI 81-102 applicable to both mutual funds and alternative mutual funds;
44. the investment strategies of each Fund will clearly disclose that the short selling and cash borrowing strategies and abilities of the Fund are outside the scope of NI 81-102, including that the aggregate market value of all securities sold short by the Fund and/or the aggregate amount of cash borrowed may exceed 50% of the NAV of the Fund. The Prospectus will also contain appropriate risk disclosure, alerting investors of any material risks associated with such investment strategies;
45. the Filer does not consider that granting the Short Selling and Cash Borrowing Relief would constitute either a fundamental or material change for the Existing Funds under NI 81-102 or National Instrument 81-106 Investment Fund Continuous Disclosure;
46. the Filer will determine the risk rating for each Fund using the Investment Risk Classification Methodology as set out in Appendix F of NI 81-102. The Filer does not anticipate that the current risk ratings of the Funds would change if the Short Selling and Cash Borrowing Relief were granted;
47. the Filer has comprehensive risk management policies and/or procedures that address the risks associated with short selling and cash borrowing in connection with the implementation of the investment strategy of each Fund.
48. each Fund will implement the following controls when conducting a short sale:
  - (a) the Fund will assume the obligation to return to the borrowing agent the securities borrowed to effect the short sale;
  - (b) the Fund will receive cash for the securities sold short within normal trading settlement periods for the market in which the short sale is effected;
  - (c) the Filer will monitor the short positions within the constraints of the Short Selling Relief and the Cash Borrowing Relief as least as frequently as daily;
  - (d) the security interest provided by the Fund over any of its assets that is required to enable the Fund to effect a short sale transaction is made in accordance with industry practice for that type of transaction and relates only to obligations arising under such short sale transactions;
  - (e) the Filer will maintain appropriate internal controls regarding short sales, including written policies and procedures for the conduct of short sales, risk management controls and proper books and records; and
  - (f) the Filer will keep proper books and records of short sales and all assets of a Fund deposited with borrowing agents as security;

49. the Filer believes that it is in the best interests of each of the Funds to be permitted to engage in physical short selling and to obtain additional investment exposure through the use of cash borrowing in excess of the current limits set out in NI 81-102;

*The Short Sale Collateral Relief*

50. as part of its investment strategies, each Fund is permitted to grant a security interest in favour of and to deposit pledged portfolio assets with its prime broker. If a Fund engages as its prime broker an entity that is not its custodian or sub-custodian, then a Fund may only deliver to its prime broker portfolio assets having a market value, in the aggregate, of not more than 25% of the NAV of the Fund at the time of deposit;
51. a prime broker may not wish to act as the borrowing agent for a Fund that has the ability to sell securities short that have an aggregate market value of up to 50% of the Fund's NAV (or more if the Short Selling Relief is granted) if the prime broker is only permitted to hold, as security for such transactions, portfolio assets having an aggregate market value that is not in excess of 25% of the NAV of the Fund;
52. prime brokers that are qualified to act as a custodian or sub-custodian under NI 81-102 are not widely appointed as custodians or sub-custodians under NI 81-102 as it can be both operationally challenging and costly to appoint them to act in such capacity;
53. given the typical collateral requirements that prime brokers impose on their customers who engage in the short sale of securities, if the Short Sale Collateral Limits apply, the Funds would need to retain multiple prime brokers in order to sell short securities to the extent permitted under Section 2.6.1 of NI 81-102 and, if granted, the Short Selling Relief described above. Managing and overseeing relationships with multiple prime brokers introduces unnecessary operational and administrative complexities and additional costs of operation for the Funds.

**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 the Exemption Sought is granted provided that:

*In respect of the Past Performance Relief:*

- (a) any sales communication and any fund facts that contain performance data of the MDS Fund relating to a period prior to when the MDS Fund was a reporting issuer discloses:
- i. that the MDS Fund was not a reporting issuer during such period;
  - ii. that the expenses of the MDS Fund would have been higher during such period had the MDS Fund been subject to the additional regulatory requirements applicable to a reporting issuer;
  - iii. that prior to becoming a reporting issuer the MDS Fund was not subject to the investment restrictions and practices in NI 81-102;
  - iv. performance data of the MDS Fund for 10, 5, 3 and one year periods;
- (b) the information contained under the heading "Fund Expenses Indirectly Borne by Investors" in Part B of the simplified prospectus of the MDS Fund based on the management expense ratio (MER) for the MDS Fund for the financial year ended December 31, 2022 be accompanied by disclosure that:
- i. the information is based on the MER of the MDS Fund for the MDS Fund's last completed financial year when units of the MDS Fund were offered privately during part of such financial year;
  - ii. the MER of the MDS Fund may increase as a result of the MDS Fund offering units under the simplified prospectus;
- (c) any MRFP that includes performance data of units of the MDS Fund relating to a period prior to when the MDS Fund was a reporting issuer discloses:
- i. that the MDS Fund was not a reporting issuer during such period;
  - ii. that the expenses of the MDS Fund would have been higher during such period had the MDS Fund been subject to the additional regulatory requirements applicable to a reporting issuer;

- iii. that prior to becoming a reporting issuer the MDS Fund was not subject to the investment restrictions and practices in NI 81-102;
  - iv. that the financial statements of the MDS Fund for such period are posted on the MDS Fund's website and are available to investors upon request;
  - v. performance data of units of the MDS Fund for 10, 5, 3 and one year periods; and
- (d) the Filer posts the annual financial statements of the MDS Fund since the MDSF Inception Date on the MDS Fund's website and makes those financial statements available to investors upon request;

*In respect of the Purchase Relief:*

- (e) the MDS Fund processes, and discloses in its simplified prospectus and in the "Quick Facts" section of its fund facts that it processes, purchase orders for its units on a monthly basis at their class net asset value per unit calculated as at the last Valuation Date of the calendar month in which the purchase order for such units is received (the Purchase Processing Frequency);
- (f) the MDS Fund discloses in the "Who should invest in the Fund?" section of the Part B of its simplified prospectus and in the "Who is this Fund for?" section of its fund facts, the Purchase Processing Frequency and that the Fund is only suitable for investors who can accept the Purchase Processing Frequency;

*In respect of the Redemption Relief:*

- (g) the MDS Fund processes, and discloses in its simplified prospectus and in the "Quick Facts" section of its fund facts that it processes, redemption orders for its units (the Redemption Processing Frequency) on at least 15 business days prior written notice, on a monthly basis, redeeming such units at their class net asset value per unit calculated on the last Valuation Date of each calendar month in which the redemption order for such units is received;
- (h) the MDS Fund discloses in the "Who should invest in the Fund?" section of the Part B of its simplified prospectus and in the "Who is this Fund for?" section of its fund facts, the Redemption Processing Frequency and that the MDS Fund is only suitable for investors who can accept the Redemption Processing Frequency;

*In respect of the Short Selling Relief and Cash Borrowing Relief:*

- (i) a Fund may sell a security short or borrow cash only if, immediately after the cash borrowing or short selling transaction:
- i. the aggregate market value of all securities sold short by the Fund does not exceed 100% of the Fund's NAV;
  - ii. the aggregate value of all cash borrowing by the Fund does not exceed 100% of the Fund's NAV;
  - iii. the aggregate market value of securities sold short by the Fund combined with the aggregate value of cash borrowing by the Fund does not exceed 100% of the Fund's NAV; and
  - iv. the Fund's aggregate exposure to short selling, cash borrowing and specified derivatives does not exceed the Leverage Limit;
- (j) in the case of a short sale, the short sale:
- (a) otherwise complies with all of the short sale requirements applicable to alternative mutual funds under section 2.6.1 and 2.6.2 of NI 81-102; and
  - (b) is consistent with the Fund's investment objectives and strategies;
- (k) in the case of a cash borrowing transaction, the transaction:
- i. otherwise complies with all of the cash borrowing requirements applicable to alternative mutual funds under section 2.6 and 2.6.2 of NI 81-102; and
  - ii. is consistent with the Fund's investment objectives and strategies;
- (l) the Prospectus under which securities of a Fund are offered:

### B.3: Reasons and Decisions

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- i. discloses that the Fund can sell securities short or borrow cash up to, and subject to, the limits described in condition (i) above; and
- ii. describes the material terms of the Short Selling Relief and the Cash Borrowing Relief;

*In respect of the Short Sale Collateral Relief:*

- (m) each Fund otherwise complies with subsections 6.8.1(2) and (3) of NI 81-102.

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

**B.3.2 Desjardins Investments Inc. et al.**

**Headnote**

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – relief granted from National Instrument 81-101 Mutual Fund Prospectus Disclosure to combine the simplified prospectus of an alternative mutual fund with the simplified prospectus of a conventional mutual fund.

**Applicable Legislative Provisions**

National Instrument 81-101 Mutual Fund Prospectus Disclosure, ss. 5.1(4) and 6.1(1).

**TRANSLATION**

October 21, 2021

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

**AND**

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

**AND**

**IN THE MATTER OF  
DESJARDINS INVESTMENTS INC.  
(the Filer)**

**AND**

**DESJARDINS ALT LONG/SHORT EQUITY MARKET  
NEUTRAL ETF FUND  
(the Existing Alternative Fund)**

**AND**

**THE ALTERNATIVE MUTUAL FUNDS ESTABLISHED  
IN THE FUTURE AND MANAGED BY THE FILER  
OR AN AFFILIATE OF THE FILER  
(the Future Alternative Funds, and together  
with the Existing Alternative Fund,  
the Alternative Funds)**

**DECISION**

**Background**

The securities regulatory authority or regulator in each of the Jurisdictions (the **Decision Makers**) has received an application from the Filer on behalf of the Alternative Funds for a decision under the securities legislation of the Jurisdictions (the **Legislation**), pursuant to section 6.1 of *Regulation 81-101 respecting Mutual Fund Prospectus Disclosure*, CQLR, c. V-1.1, r. 38 (**Regulation 81-101**) that

grants relief to the Alternative Funds from the requirement in subsection 5.1(4) of Regulation 81-101 which states that a simplified prospectus (**SP**) for an alternative mutual fund must not be consolidated with a SP of another mutual fund if the other mutual fund is not an alternative mutual fund in order to permit SP(s) for one or more Alternative Funds to be consolidated with the SP(s) of one or more mutual funds existing today or created in the future (i) that are reporting issuers to which Regulation 81-101 and *Regulation 81-102 respecting Investment Funds*, CQLR, c. V-1.1, r. 39 (**Regulation 81-102**) apply, (ii) that are not alternative mutual funds, and (iii) for which the Filer, or an affiliate of the Filer, acts or will act as the investment fund manager (the **Conventional Funds**, and together with the Alternative Funds, the **Funds**) (the **Exemption Sought**).

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

- a) the Autorité des marchés financiers is the principal regulator for this application;
- b) the Filer has provided notice that subsection 4.7(1) of *Regulation 11-102 respecting Passport System*, CQLR, c. V-1.1, r. 1 (**Regulation 11-102**) is intended to be relied upon in the provinces and territories of Canada other than the Jurisdictions (together with Québec and Ontario, the **Canadian Jurisdictions**); 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**

Terms defined in Regulation 81-101, Regulation 81-102, *Regulation 14-101 respecting Definitions*, CQLR, c. V-1.1, r. 3, and Regulation 11-102.

**Representations**

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

The Filer

1. The Filer is a corporation incorporated under the *Business Corporations Act* (RSQ, c. S-31.1) of Québec.
2. The Filer, or an affiliate of the Filer, is or will be, the investment fund manager of each Fund.
3. The Filer is registered as an investment fund manager in Québec, Ontario and Newfoundland and Labrador.
4. The head office of the Filer is in Montreal, Québec.
5. The Filer is not in default of the securities legislation in any of the Canadian Jurisdictions.

The Funds

6. Each Alternative Fund is, or will be, established under the laws of Québec or Canada as a mutual fund that is a trust or a class of shares of a mutual fund corporation and is, or will be, a reporting issuer in one or more of the Canadian Jurisdictions.
7. Each Conventional Fund is not, or will not be, an alternative mutual fund.
8. The Existing Alternative Fund is not in default of the securities legislation in any of the Canadian Jurisdictions.
9. The securities of each Fund are, or will be, qualified for distribution in one or more of the Canadian Jurisdictions using a SP, annual information form (AIF) and fund facts prepared and filed in accordance with the securities legislation of such Canadian Jurisdictions.
10. The Filer wishes to combine the SP(s) for one or more Alternative Funds with the SP(s) of one or more Conventional Funds in order to reduce renewal, printing and related costs. Offering the Alternative Funds using the same SP and AIF as the Conventional Funds would facilitate the distribution of the Alternative Funds in the Canadian Jurisdictions under the same prospectus disclosure and enable the Filer to streamline disclosure across the Filer's fund platform.
11. Even though the Alternative Funds are, or will be, alternative mutual funds, they share, or will share, many common operational and administrative features with the Conventional Funds and combining them in the same SP will allow investors to more easily compare the features of the Alternative Funds and the Conventional Funds.
12. The Filer may make changes to the features of the Funds as part of the process of renewing the Conventional Funds' SP. The ability to file the SP of the Alternative Funds with those of the Conventional Funds will ensure that the Filer can make the operational and administrative features of the Alternative Funds and the Conventional Funds consistent with each other, as appropriate
13. Investors will continue to receive the fund facts documents when purchasing securities of the Alternative Funds or Conventional Funds as required by applicable securities legislation. The form and content of the fund facts of the Alternative Funds and Conventional Funds will not change as a result of the Exemption Sought. The SP and/or AIF of the Alternative Funds and Conventional Funds will continue to be provided to investors, upon request, as required by applicable securities legislation.

14. The Filer is of the view that the Exemption Sought is not prejudicial to the public interest and is in the best interests of the Alternative Funds and their securityholders.
15. *Regulation 41-101 respecting General Prospectus Requirements*, CQLR, c. V-1.1, r. 14 (Regulation 41-101) does not contain a provision equivalent to subsection 5.1(4) of Regulation 81-101. Accordingly, an investment fund manager that manages exchange-traded funds (ETFs) is permitted to consolidate a prospectus under Regulation 41-101 for its ETFs that are alternative mutual funds with a prospectus for its ETFs that are conventional mutual funds. There is no reason why mutual funds filing a prospectus under Regulation 81-101 should be treated differently from ETFs filing a prospectus under Regulation 41-101.

**Decision**

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

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

"Frédéric Belleau"  
Senior Director, Investment funds

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## B.4 Cease Trading Orders

### B.4.1 Temporary, Permanent & Rescinding Issuer Cease Trading Orders

Company Name	Date of Temporary Order	Date of Hearing	Date of Permanent Order	Date of Lapse/Revoke
THERE IS NOTHING TO REPORT THIS WEEK.				

### Failure to File Cease Trade Orders

Company Name	Date of Order	Date of Revocation
Rapid Dose Therapeutics Corp.	August 26, 2022	

### B.4.2 Temporary, Permanent & Rescinding Management Cease Trading Orders

Company Name	Date of Order	Date of Lapse
Rapid Dose Therapeutics Corp.	June 29, 2022	August 26, 2022

### B.4.3 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
Agrios Global Holdings Ltd.	September 17, 2020	
Gatos Silver, Inc.	April 1, 2022	
Gatos Silver, Inc.	April 12, 2022	
Rapid Dose Therapeutics Corp.	June 29, 2022	August 26, 2022
Sproutly Canada, Inc.	June 30, 2022	
Gatos Silver, Inc.	July 7, 2022	
PlantX Life Inc.	August 4, 2022	
Radiant Technologies Inc.	August 5, 2022	

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## **B.7 Insider Reporting**

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This chapter is available in the print version of the OSC Bulletin, as well as in Thomson Reuters Canada's internet service SecuritiesSource (see [www.westlawnextcanada.com](http://www.westlawnextcanada.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](http://www.sedi.ca)).



## B.9 IPOs, New Issues and Secondary Financings

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### INVESTMENT FUNDS

**Issuer Name:**

Langdon Canadian Smaller Companies Portfolio  
Langdon Global Smaller Companies Portfolio  
Principal Regulator – Ontario

**Type and Date:**

Preliminary Simplified Prospectus dated Aug 23, 2022  
NP 11-202 Final Receipt dated Aug 24, 2022

**Offering Price and Description:**

-

**Underwriter(s) or Distributor(s):**

N/A

**Promoter(s):**

N/A

Project #3410120

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**Issuer Name:**

CI Auspice Broad Commodity ETF  
Principal Regulator – Ontario

**Type and Date:**

Preliminary Long Form Prospectus dated Aug 23, 2022  
NP 11-202 Preliminary Receipt dated Aug 24, 2022

**Offering Price and Description:**

-

**Underwriter(s) or Distributor(s):**

N/A

**Promoter(s):**

N/A

Project #3424590

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**Issuer Name:**

First Trust Cboe Vest U.S. Equity Buffer ETF - August  
First Trust Cboe Vest U.S. Equity Buffer ETF - February  
First Trust Cboe Vest U.S. Equity Buffer ETF - May  
First Trust Cboe Vest U.S. Equity Buffer ETF - November  
Principal Regulator – Ontario

**Type and Date:**

Final Long Form Prospectus dated Aug 19, 2022  
NP 11-202 Final Receipt dated Aug 23, 2022

**Offering Price and Description:**

-

**Underwriter(s) or Distributor(s):**

N/A

**Promoter(s):**

N/A

Project #3409862

**Issuer Name:**

Picton Mahoney Fortified Equity Fund  
Picton Mahoney Fortified Income Fund  
Picton Mahoney Fortified Multi-Asset Fund  
Principal Regulator – Ontario

**Type and Date:**

Final Simplified Prospectus dated Aug 22, 2022  
NP 11-202 Final Receipt dated Aug 23, 2022

**Offering Price and Description:**

-

**Underwriter(s) or Distributor(s):**

N/A

**Promoter(s):**

N/A

Project #3411146

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**Issuer Name:**

US High Interest Savings Account Fund  
Principal Regulator – Ontario

**Type and Date:**

Preliminary Long Form Prospectus dated Aug 23, 2022  
NP 11-202 Final Receipt dated Aug 24, 2022

**Offering Price and Description:**

-

**Underwriter(s) or Distributor(s):**

N/A

**Promoter(s):**

N/A

Project #3414238

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**Issuer Name:**

Horizons Balanced TRI ETF Portfolio  
Horizons Conservative TRI ETF Portfolio  
Horizons Growth TRI ETF Portfolio  
Principal Regulator – Ontario

**Type and Date:**

Final Long Form Prospectus dated Aug 26, 2022  
NP 11-202 Final Receipt dated Aug 29, 2022

**Offering Price and Description:**

-

**Underwriter(s) or Distributor(s):**

N/A

**Promoter(s):**

N/A

Project #3411878

**Issuer Name:**

Horizons Absolute Return Global Currency ETF  
Horizons Cash Maximizer ETF  
Horizons Cdn High Dividend Index ETF  
Horizons Cdn Select Universe Bond ETF  
Horizons Emerging Markets Equity Index ETF  
Horizons Equal Weight Canada Banks Index ETF  
Horizons Equal Weight Canada REIT Index ETF  
Horizons Europe 50 Index ETF  
Horizons Intl Developed Markets Equity Index ETF  
Horizons Laddered Canadian Preferred Share Index ETF  
Horizons NASDAQ-100® Index ETF  
Horizons ReSolve Adaptive Asset Allocation ETF  
Horizons S&P 500 CAD Hedged Index ETF  
Horizons S&P 500® Index ETF  
Horizons S&P/TSX 60 Index ETF  
Horizons S&P/TSX Capped Composite Index ETF  
Horizons S&P/TSX Capped Energy Index ETF  
Horizons S&P/TSX Capped Financials Index ETF  
Horizons US 7-10 Year Treasury Bond ETF  
Horizons US Large Cap Index ETF  
Horizons USD Cash Maximizer ETF  
Principal Regulator – Ontario

**Type and Date:**

Final Long Form Prospectus dated Aug 26, 2022  
NP 11-202 Final Receipt dated Aug 29, 2022

**Offering Price and Description:**

-

**Underwriter(s) or Distributor(s):**

N/A

**Promoter(s):**

N/A

**Project #3412399**

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**Issuer Name:**

GuardPath™ Managed Decumulation 2042 Fund  
GuardPath™ Modern Tontine 2042 Trust  
Principal Regulator – Ontario

**Type and Date:**

Preliminary Long Form Prospectus dated Aug 25, 2022  
NP 11-202 Preliminary Receipt dated Aug 25, 2022

**Offering Price and Description:**

-

**Underwriter(s) or Distributor(s):**

N/A

**Promoter(s):**

N/A

**Project #3426045**

**Issuer Name:**

ATBIS Canadian Equity Pool  
ATBIS Fixed Income Pool  
ATBIS International Equity Pool  
ATBIS U.S. Equity Pool  
Compass Balanced Growth Portfolio  
Compass Balanced Portfolio  
Compass Conservative Balanced Portfolio  
Compass Conservative Portfolio  
Compass Growth Portfolio  
Compass Maximum Growth Portfolio  
Principal Regulator – Alberta (ASC)

**Type and Date:**

Preliminary Simplified Prospectus dated Aug 23, 2022  
NP 11-202 Final Receipt dated Aug 24, 2022

**Offering Price and Description:**

-

**Underwriter(s) or Distributor(s):**

N/A

**Promoter(s):**

N/A

**Project #3341580**

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**Issuer Name:**

Maxam Arbitrage Fund  
Maxam Diversified Strategies Fund  
Principal Regulator – British Columbia

**Type and Date:**

Combined Preliminary and Pro Forma Simplified Prospectus  
dated Aug 24, 2022

NP 11-202 Final Receipt dated Aug 24, 2022

**Offering Price and Description:**

-

**Underwriter(s) or Distributor(s):**

N/A

**Promoter(s):**

N/A

**Project #3407434**

**Issuer Name:**

Horizons High Interest Savings ETF  
Horizons Global BBIG Technology ETF  
Horizons S&P Green Bond Index ETF  
Horizons Global Lithium Producers Index ETF  
Horizons Global Hydrogen Index ETF  
Horizons Global Semiconductor Index ETF  
Horizons North American Infrastructure Development Index ETF  
Horizons Global Vaccines and Infectious Diseases Index ETF  
Horizons GX Telemedicine and Digital Health Index ETF  
Horizons GX Cybersecurity Index ETF  
Horizons Robotics and Automation Index ETF  
Principal Regulator - Ontario

**Type and Date:**

Amendment #1 to Final Long Form Prospectus dated August 25, 2022  
NP 11-202 Final Receipt dated Aug 29, 2022

**Offering Price and Description:**

-

**Underwriter(s) or Distributor(s):**

N/A

**Promoter(s):**

N/A

**Project #3385537**

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**Issuer Name:**

Discovery 2022 Short Duration LP  
Principal Regulator - Ontario

**Type and Date:**

Preliminary Long Form Prospectus dated August 26, 2022  
NP 11-202 Preliminary Receipt dated August 26, 2022

**Offering Price and Description:**

\$25,000,000 (maximum)  
(maximum – 1,000,000 Class A Units and/or Class F Units)  
\$5,000,000 (minimum)  
(minimum – 200,000 Class A Units and/or Class F Units)  
\$25.00 per Unit

**Underwriter(s) or Distributor(s):**

RBC Dominion Securities Inc.  
CIBC World Markets Inc.  
BMO Nesbitt Burns Inc.  
National Bank Financial Inc.  
Scotia Capital Inc  
TD Securities Inc,  
Manulife Securities Incorporated  
Richardson Wealth Limited  
iA Private Wealth Inc, .  
Canaccord Genuity Corp.  
Middlefield Capital Corporation  
Wellington-Altus Private Wealth Inc.  
Echelon Wealth Partners Inc  
Raymond James Ltd.

**Promoter(s):**

Middlefield Resource Corporation

**Project #3427296**

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**Issuer Name:**

Probity Mining 2022-II Short Duration Flow-Through Limited Partnership - British Columbia Class  
Principal Regulator - British Columbia

**Type and Date:**

Preliminary Long Form Prospectus dated August 25, 2022  
NP 11-202 Preliminary Receipt dated August 25, 2022

**Offering Price and Description:**

Maximum Offering: aggregate of \$50,000,000 comprising \$30,000,000 for National Class Units; \$10,000,000 for British Columbia Class Units; and \$10,000,000 for Québec Class Units

(3,000,000 NC-A and/or NC-F Units; 1,000,000 BC-A and/or BC-F Units; and 1,000,000 QC-A and/or QC-F Units)

Minimum Offering: \$1,500,000 (150,000 Class A and/or Class F Units)

Price per Unit: \$10.00

**Underwriter(s) or Distributor(s):**

iA Private Wealth Inc, .  
Richardson Wealth Limited  
Canaccord Genuity Corp.  
Raymond James Ltd.  
Echelon Wealth Partners Inc  
PI Financial Corp.  
Wellington-Altus Private Wealth Inc.  
Sherbrooke Street Capital (SSC) Inc.

**Promoter(s):**

Probity Capital Corporation

**Project #3426160**

---

**Issuer Name:**

Probity Mining 2022-II Short Duration Flow-Through Limited Partnership - National Class  
Principal Regulator - British Columbia

**Type and Date:**

Preliminary Long Form Prospectus dated August 25, 2022  
NP 11-202 Preliminary Receipt dated August 25, 2022

**Offering Price and Description:**

Maximum Offering: aggregate of \$50,000,000 comprising \$30,000,000 for National Class Units; \$10,000,000 for British Columbia Class Units; and \$10,000,000 for Québec Class Units (3,000,000 NC-A and/or NC-F Units; 1,000,000 BC-A and/or BC-F Units; and 1,000,000 QC-A and/or QC-F Units)

Minimum Offering: \$1,500,000 (150,000 Class A and/or Class F Units)

Price per Unit: \$10.00

**Underwriter(s) or Distributor(s):**

iA Private Wealth Inc. ,  
Richardson Wealth Limited  
Canaccord Genuity Corp.  
Raymond James Ltd.  
Echelon Wealth Partners Inc  
PI Financial Corp.  
Wellington-Altus Private Wealth Inc.  
Sherbrooke Street Capital (SSC) Inc.

**Promoter(s):**

Probity Capital Corporation  
**Project #3426187**

---

**Issuer Name:**

Probity Mining 2022-II Short Duration Flow-Through Limited Partnership - Quebec Class  
Principal Regulator - British Columbia

**Type and Date:**

Preliminary Long Form Prospectus dated August 25, 2022  
NP 11-202 Preliminary Receipt dated August 25, 2022

**Offering Price and Description:**

Maximum Offering: aggregate of \$50,000,000 comprising \$30,000,000 for National Class Units; \$10,000,000 for British Columbia Class Units; and \$10,000,000 for Québec Class Units (3,000,000 NC-A and/or NC-F Units; 1,000,000 BC-A and/or BC-F Units; and 1,000,000 QC-A and/or QC-F Units)

Minimum Offering: \$1,500,000 (150,000 Class A and/or Class F Units)

Price per Unit: \$10.00

**Underwriter(s) or Distributor(s):**

iA Private Wealth Inc. ,  
Richardson Wealth Limited  
Canaccord Genuity Corp.  
Raymond James Ltd.  
Echelon Wealth Partners Inc  
PI Financial Corp.  
Wellington-Altus Private Wealth Inc.  
Sherbrooke Street Capital (SSC) Inc.

**Promoter(s):**

Probity Capital Corporation  
**Project #3426217**

---

**Issuer Name:**

Premium Income Corporation  
Principal Regulator - Ontario

**Type and Date:**

Final Shelf Prospectus (NI 44-102) dated August 23, 2022  
NP 11-202 Receipt dated August 24, 2022

**Offering Price and Description:**

-

**Underwriter(s) or Distributor(s):**

N/A

**Promoter(s):**

N/A

**Project #3414546**

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NON-INVESTMENT FUNDS

**Issuer Name:**

Aumento Capital X Corp.  
Principal Regulator - Ontario

**Type and Date:**

Preliminary CPC Prospectus dated August 24, 2022  
NP 11-202 Preliminary Receipt dated August 25, 2022

**Offering Price and Description:**

\$500,000.00 - 1,000,000 Common Shares  
Price: \$0.50 per Common Share

**Underwriter(s) or Distributor(s):**

CANACCORD GENUITY CORP.

**Promoter(s):**

-

**Project #3425577**

---

**Issuer Name:**

Axe2 Acquisitions Inc.  
Principal Regulator - Ontario

**Type and Date:**

Amendment dated August 26, 2022 to Final CPC  
Prospectus dated June 7, 2022  
NP 11-202 Preliminary Receipt dated August 29, 2022

**Offering Price and Description:**

\$428,646.80 - 4,286,468 Common Shares  
Price: \$0.10 per Common Share

**Underwriter(s) or Distributor(s):**

PI FINANCIAL CORP.

**Promoter(s):**

Graham Donahue  
David Dattels

**Project #3316761**

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**Issuer Name:**

BELLUS Health Inc.  
Principal Regulator - Quebec

**Type and Date:**

Preliminary Shelf Prospectus dated August 26, 2022  
NP 11-202 Preliminary Receipt dated August 26, 2022

**Offering Price and Description:**

Common Shares

**Underwriter(s) or Distributor(s):**

-

**Promoter(s):**

-

**Project #3427584**

**Issuer Name:**

CannaFuente International Inc.  
Principal Regulator - Ontario

**Type and Date:**

Preliminary Long Form Prospectus dated August 22, 2022  
NP 11-202 Preliminary Receipt dated August 24, 2022

**Offering Price and Description:**

-

**Underwriter(s) or Distributor(s):**

-

**Promoter(s):**

Ralph Sickinger  
**Project #3424473**

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**Issuer Name:**

Discovery 2022 Short Duration LP  
Principal Regulator - Ontario

**Type and Date:**

Preliminary Long Form Prospectus dated August 26, 2022  
NP 11-202 Preliminary Receipt dated August 26, 2022

**Offering Price and Description:**

\$25,000,000 (maximum)  
(maximum – 1,000,000 Class A Units and/or Class F Units)  
\$5,000,000 (minimum)  
(minimum – 200,000 Class A Units and/or Class F Units)  
\$25.00 per Unit

**Underwriter(s) or Distributor(s):**

RBC DOMINION SECURITIES INC.  
CIBC WORLD MARKETS INC.  
BMO NESBITT BURNS INC.  
NATIONAL BANK FINANCIAL INC.  
SCOTIA CAPITAL INC.  
TD SECURITIES INC.

MANULIFE SECURITIES INCORPORATED  
RICHARDSON WEALTH LIMITED  
iA PRIVATE WEALTH INC.

CANACCORD GENUITY CORP.  
MIDDLEFIELD CAPITAL CORPORATION  
WELLINGTON-ALTUS PRIVATE WEALTH INC.  
ECHELON WEALTH PARTNERS INC.  
RAYMOND JAMES LTD.

**Promoter(s):**

MIDDLEFIELD RESOURCE CORPORATION  
**Project #3427296**

**Issuer Name:**

PesoRama Inc. (formerly Skyscape Capital Inc.)  
Principal Regulator - Ontario

**Type and Date:**

Preliminary Shelf Prospectus dated August 23, 2022  
NP 11-202 Preliminary Receipt dated August 24, 2022

**Offering Price and Description:**

\$50,000,000.00 - Common Shares, Debt Securities,  
Warrants, Subscription Receipts, Units

**Underwriter(s) or Distributor(s):**

-

**Promoter(s):**

-

**Project #3424429**

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**Issuer Name:**

Silver Eagle Mines Inc.  
Principal Regulator - British Columbia

**Type and Date:**

Preliminary Long Form Prospectus dated August 22, 2022  
NP 11-202 Preliminary Receipt dated August 25, 2022

**Offering Price and Description:**

208,000.00 Common Shares and 208,000 Warrants issued  
on automatic conversion of previously issued  
208,000 First Special Warrants issued at a price of \$0.10 per  
First Special Warrant

1,131,000.00 Common Shares and 1,131,000 Warrants  
issued on automatic conversion of previously issued  
1,131,000 Second Special Warrants issued at a price of  
\$0.05 per Second Special Warrant

**Underwriter(s) or Distributor(s):**

-

**Promoter(s):**

Robin Dow

**Project #3425217**

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**Issuer Name:**

Vortex Energy Corp.  
Principal Regulator - British Columbia

**Type and Date:**

Preliminary Long Form Prospectus dated August 22, 2022  
NP 11-202 Preliminary Receipt dated August 23, 2022

**Offering Price and Description:**

No securities are being offered pursuant to this preliminary  
non-offering prospectus

**Underwriter(s) or Distributor(s):**

-

**Promoter(s):**

Aman Parmar

**Project #3424115**

**Issuer Name:**

1844 Resources Inc. (formerly, Gespeg Resources Ltd)  
Principal Regulator - Saskatchewan

**Type and Date:**

Final Short Form Prospectus dated August 26, 2022  
NP 11-202 Receipt dated August 26, 2022

**Offering Price and Description:**

Up to 15,000,000 Common Shares Up to \$750,000.00  
Price: \$0.05 per Common Share

**Underwriter(s) or Distributor(s):**

LEEDE JONES GABLE INC.

**Promoter(s):**

-

**Project #3377571**

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**Issuer Name:**

Adventus Mining Corporation  
Principal Regulator - Ontario

**Type and Date:**

Final Shelf Prospectus dated August 25, 2022  
NP 11-202 Receipt dated August 26, 2022

**Offering Price and Description:**

\$125,000,000 - Common Shares, Debt Securities, Warrants,  
Subscription Receipts, Units

**Underwriter(s) or Distributor(s):**

-

**Promoter(s):**

-

**Project #3419998**

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**Issuer Name:**

Axe2 Acquisitions Inc.  
Principal Regulator - Ontario

**Type and Date:**

Amendment dated August 26, 2022 to Final CPC  
Prospectus dated June 7, 2022  
NP 11-202 Receipt dated August 29, 2022

**Offering Price and Description:**

\$428,646.80 - 4,286,468 Common Shares  
Price: \$0.10 per Common Share

**Underwriter(s) or Distributor(s):**

PI FINANCIAL CORP.

**Promoter(s):**

Graham Donahue

David Dattels

**Project #3316761**

**Issuer Name:**

BELLUS Health Inc.  
Principal Regulator - Quebec

**Type and Date:**

Final Shelf Prospectus dated August 26, 2022  
NP 11-202 Receipt dated August 26, 2022

**Offering Price and Description:**

Common Shares

**Underwriter(s) or Distributor(s):**

-

**Promoter(s):**

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**Project #3427584**

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**Issuer Name:**

Blackline Safety Corp.  
Principal Regulator - Alberta

**Type and Date:**

Final Short Form Prospectus dated August 24, 2022  
NP 11-202 Receipt dated August 24, 2022

**Offering Price and Description:**

\$10,516,000.00 - 4,780,000 Common Shares  
Price: \$2.20 per Common Share

**Underwriter(s) or Distributor(s):**

PI FINANCIAL CORP.  
ATB CAPITAL MARKETS INC.  
CANACCORD GENUITY CORP.  
NATIONAL BANK FINANCIAL INC.  
TD SECURITIES INC.

RAYMOND JAMES LTD.

ECHELON WEALTH PARTNERS INC.

BEACON SECURITIES LIMITED

PETERS & CO. LIMITED

LIGHTYEAR CAPITAL INC.

**Promoter(s):**

-

**Project #3418756**

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**Issuer Name:**

Copper King Resources Corp.  
Principal Regulator - British Columbia

**Type and Date:**

Amendment dated August 24, 2022 to Final Long Form  
Prospectus dated June 7, 2022  
NP 11-202 Receipt dated August 26, 2022

**Offering Price and Description:**

\$1,000,000.00 - 5,000,000 COMMON SHARES  
PRICE OF \$0.20 PER SHARE

**Underwriter(s) or Distributor(s):**

PI Fincancial Corp.

**Promoter(s):**

Max Sali

**Project #3356206**

**Issuer Name:**

Exchange Income Corporation  
Principal Regulator - Manitoba

**Type and Date:**

Final Short Form Prospectus dated August 26, 2022  
NP 11-202 Receipt dated August 26, 2022

**Offering Price and Description:**

\$100,029,800.00 - 2,054,000 Common Shares  
Price: \$48.70

**Underwriter(s) or Distributor(s):**

-

**Promoter(s):**

-

**Project #3421533**

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**Issuer Name:**

Premium Income Corporation  
Principal Regulator - Ontario

**Type and Date:**

Final Shelf Prospectus dated August 23, 2022  
NP 11-202 Receipt dated August 24, 2022

**Offering Price and Description:**

-

**Underwriter(s) or Distributor(s):**

-

**Promoter(s):**

-

**Project #3414546**

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**Issuer Name:**

Pure to Pure Beauty Inc. (formerly "P2P Info Inc.")  
Principal Regulator - British Columbia

**Type and Date:**

Final Long Form Prospectus dated August 25, 2022  
NP 11-202 Receipt dated August 26, 2022

**Offering Price and Description:**

\$0.00

**Underwriter(s) or Distributor(s):**

-

**Promoter(s):**

Simon Cheng

**Project #3409107**

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**Issuer Name:**

Purepoint Uranium Group Inc.  
Principal Regulator - Ontario

**Type and Date:**

Final Shelf Prospectus dated August 26, 2022  
NP 11-202 Receipt dated August 29, 2022

**Offering Price and Description:**

\$15,000,000.00 - Common Shares, Warrants, Units,  
Subscription Receipts

**Underwriter(s) or Distributor(s):**

-

**Promoter(s):**

-

**Project #3408724**

**Issuer Name:**

RDARS Inc.  
Principal Regulator - Ontario

**Type and Date:**

Final Long Form Prospectus dated August 26, 2022  
NP 11-202 Receipt dated August 29, 2022

**Offering Price and Description:**

0.00

**Underwriter(s) or Distributor(s):**

-

**Promoter(s):**

Charles Zwebner  
**Project #3368984**

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**Issuer Name:**

Tier One Silver Inc. (formerly, Tier One Metals Inc.)  
Principal Regulator - British Columbia

**Type and Date:**

Final Shelf Prospectus dated August 25, 2022  
NP 11-202 Receipt dated August 26, 2022

**Offering Price and Description:**

\$100,000,000.00 - Common Shares, Warrants, Subscription  
Receipts, Debt Securities, Units

**Underwriter(s) or Distributor(s):**

-

**Promoter(s):**

-

**Project #3408856**

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## B.10 Registrations

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### B.10.1 Registrants

Type	Company	Category of Registration	Effective Date
New Registration	Parvis Invest Inc.	Exempt Market Dealer	August 24, 2022

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# B.11

## SROs, Marketplaces, Clearing Agencies and Trade Repositories

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### B.11.2 Marketplaces

#### B.11.2.1 Canadian Securities Exchange – System Functionality – Second Trading Book – CSE2 – Notice of Approval

##### CANADIAN SECURITIES EXCHANGE

##### NOTICE OF APPROVAL

##### *System Functionality – Second Trading Book – CSE2*

In accordance with the *Process for the Review and Approval of Rules and the Information Contained in Form 21-101F1 and the Exhibits Thereto*, CNSX Markets Inc. (“CSE”) has proposed, and the Ontario Securities Commission and British Columbia Securities Commission have approved significant changes to the CSE trading system.

On March 4, 2022, the CSE published *Notice 2022-002 - Amendments To Trading System Functionality & Features - Request for Comment* with respect to the introduction of an additional trading book (“CSE2”).

The comment period expired April 4, 2022.

CSE did not receive any public comments regarding these proposed changes.

The proposed second book does not introduce any functionality that does not already exist on one or more marketplaces in Canada. CSE will, however, be the only exchange operating a second book with automated trading functionality as defined in National Instrument 23-101 *Trading Rules* (“23-101”). Order protection as described in 23-101 and the Companion Policy will apply when the requisite market share threshold is met by CSE2.

#### **IMPLEMENTATION**

The CSE2 Gateway Test Environment (“GTE”) is currently available, and the production release for CSE2 is scheduled for September 30, 2022.

For technical information about CSE2 or the GTE, please contact CSE Market Operations at 416-306-0772 or [Marketops@thecse.com](mailto:Marketops@thecse.com).

Questions about this notice may be directed to:

Mark Faulkner, Senior Vice President Listings & Regulation  
[Mark.Faulkner@thecse.com](mailto:Mark.Faulkner@thecse.com), or 416-367-7341

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*Editor's Note: On Friday, April 29, 2022, the Securities Commission Act, 2021, came into force by proclamation of the Lieutenant Governor of Ontario. The new structural and governance changes are now reflected in the Bulletin index with the use of the "Capital Markets Tribunal" designation to differentiate those proceedings from the proceedings of the Ontario Securities Commission: [www.capitalmarketstribunal.ca](http://www.capitalmarketstribunal.ca).*

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