The Ontario Securities Commission

OSC Bulletin

February 2, 2023

Volume 46, Issue 5

(2023), 46 OSCB

The Ontario Securities Commission carries out the powers, duties and functions given to it pursuant to the *Securities Commission Act, 2021* (S.O. 2021, c. 8, Sched. 9).

The Ontario Securities Commission exercises its regulatory oversight function through the administration and enforcement of Ontario's *Securities Act* (R.S.O. 1990, c. S.5) and *Commodity Futures Act* (R.S.O. 1990, c. C.20), and administration of certain provisions of the *Business Corporations Act* (R.S.O. 1990, c. B.16).

The Ontario Securities Commission
Cadillac Fairview Tower
22nd Floor, Box 55
20 Queen Street West
Toronto, Ontario
M5H 3S8

Contact Centre:
Toll Free: 1-877-785-1555
Local: 416-593-8314
TTY: 1-866-827-1295
Fax: 416-593-8122
Email: inquiries@osc.gov.on.ca

Capital Markets Tribunal:
Local: 416-595-8916
Email: registrar@osc.gov.on.ca

Published under the authority of the Commission by:
Thomson Reuters
One Corporate Plaza
2075 Kennedy Road
Toronto, Ontario
M1T 3V4
416-609-3800 or 1-800-387-5164

43062564

The OSC Bulletin is published weekly by Thomson Reuters Canada, under the authority of the Ontario Securities Commission.

Thomson Reuters Canada offers every issue of the Bulletin, from 1994 onwards, fully searchable on S*ecuritiesSource*™, Canada's pre-eminent web-based securities resource. *SecuritiesSource*™ also features comprehensive securities legislation, expert analysis, precedents and a weekly Newsletter. For more information on *SecuritiesSource*™, as well as ordering information, please go to:

https://www.westlawnextcanada.com/westlaw-products/securitiessource/

or call Thomson Reuters Canada Customer Support at 1-416-609-3800 (Toronto & International) or 1-800-387-5164 (Toll Free Canada & U.S.).

Claims from *bona fide* subscribers for missing issues will be honoured by Thomson Reuters Canada up to one month from publication date.

Space is available in the Ontario Securities Commission Bulletin for advertisements. The publisher will accept advertising aimed at the securities industry or financial community in Canada. Advertisements are limited to tombstone announcements and professional business card announcements by members of, and suppliers to, the financial services industry.

The publisher is not engaged in rendering legal, accounting or other professional advice. If legal advice or other expert assistance is required, the services of a competent professional should be sought.

Printed in the United States by Thomson Reuters.

ISSN 0226-9325

THOMSON REUTERS®

Address

One Corporate Plaza
2075 Kennedy Road
Toronto, Ontario
M1T 3V4

Customer Support

1-416-609-3800 (Toronto & International)
1-800-387-5164 (Toll Free Canada & U.S.)
Fax 1-416-298-5082 (Toronto)
Fax 1-877-750-9041 (Toll Free Canada Only)
Email CustomerSupport.LegalTaxCanada@TR.com

Table of Contents

A. Capital Markets Tribunal

A.2
Other Notices

A.2.1 Amin Mohammed Ali

FOR IMMEDIATE RELEASE
January 25, 2023

AMIN MOHAMMED ALI,
File No. 2022-6

TORONTO – Take notice that the hearing in the above named matter scheduled to be heard on January 27, 2023 at 10:00 a.m. will instead be heard on March 20, 2023 at 10:00 a.m.

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.2.2 Xiao Hua (Edward) Gong

FOR IMMEDIATE RELEASE
January 26, 2023

XIAO HUA (EDWARD) GONG,
File No. 2022-14

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

A copy of the Order dated January 26, 2023 is available at 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.2.3 Canada Cannabis Corporation et al.

FOR IMMEDIATE RELEASE
January 27, 2023

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

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

A copy of the Order dated January 27, 2023 is available at 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.2.4 Bridging Finance Inc. et al.

FOR IMMEDIATE RELEASE
January 31, 2023

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 January 30, 2023 is available at 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 Mark Hamlin

FOR IMMEDIATE RELEASE
January 31, 2023

MARK HAMLIN,
File No. 2022-16

TORONTO – The Tribunal issued its Reasons for Decision in the above named matter.

A copy of the Reasons for Decision dated January 30, 2023 is available at 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

This page intentionally left blank

A.3
Orders

A.3.1 Xiao Hua (Edward) Gong

IN THE MATTER OF
XIAO HUA (EDWARD) GONG

File No. 2022-14

Adjudicators: Russell Juriansz (chair of the panel)
Tim Moseley
Sandra Blake

January 26, 2023

ORDER

WHEREAS on January 26, 2023, the Capital Markets Tribunal held a hearing by videoconference to consider the respondent's motion regarding the use of certain materials in the possession of the parties (the **Materials Motion**) and to schedule further steps in this proceeding;

ON READING the materials filed by the parties and on hearing the submissions of the representatives of the respondent and of Staff of the Ontario Securities Commission;

IT IS ORDERED THAT:

1. the Materials Motion is dismissed, for reasons to follow;

2. by 4:30 p.m. on March 27, 2023, the respondent shall serve and file his motion record regarding his request for a stay of the proceedings, which shall be marked confidential pursuant to Rule 22(4) of the *Capital Markets Tribunal Rules of Procedure and Forms* pending further order of the Tribunal;

3. by 9:00 a.m. on April 6, 2023, the respondent shall serve and file a witness list and serve a summary of each witness's anticipated evidence on Staff, and indicate any intention to call an expert witness, including the expert's name and the issues on which the expert will give evidence; and

4. a further attendance in this matter is scheduled for April 6, 2023 at 9:00 a.m., by videoconference, or on such other date and time as may be agreed to by the parties and set by the Governance & Tribunal Secretariat.

"Russell Juriansz"

"Tim Moseley"

"Sandra Blake"

A.3.2 Canada Cannabis Corporation et al.

IN THE MATTER OF
CANADA CANNABIS CORPORATION,
CANADIAN CANNABIS CORPORATION,
BENJAMIN WARD,
SILVIO SERRANO, AND
PETER STRANG

File No. 2019-34

Adjudicators: Russell Juriansz (chair of the panel)
Cathy Singer
James Douglas

January 27, 2023

ORDER

WHEREAS on December 16, 2022, the Capital Markets Tribunal held a hearing by videoconference to consider what procedure to follow for the hearing of the motion filed by Silvio Serrano seeking the unredacted transcripts of the compelled interview of Benjamin Ward, and certain related materials including a Confidential Order and Confidential Reasons of the Tribunal (together, the **Confidential Materials**) and in the alternative, a stay of the proceedings (the **Motion**);

ON READING the materials filed by the parties and the Confidential Materials, and on hearing the submissions of the representatives for Staff of the Ontario Securities Commission (**OSC Staff**), and for each of Serrano and Peter Strang;

IT IS ORDERED, for reasons to follow, **THAT**:

1. the Confidential Materials previously filed in this proceeding continue to be subject to the confidentiality provisions set out therein and shall not be available to the public, pursuant to subsection 2(2) of the *Tribunal Adjudicative Records Act, 2019,* SO 2019, c 7 (***TARA***) and Rule 22(4) of the *Capital Markets Tribunal Rules of Procedure and Forms (**Rules***);

2. the hearing of the Motion will proceed in the following phases: (i) First Non-Confidential Phase; (ii) Confidential Phase; and (iii) Second Non-Confidential Phase;

3. an Amicus Curiae (**Amicus**) shall be appointed to represent the interests of justice and, as directed, assist with the Panel's determination of the issues raised in the Motion;

4. by no later than 4:30 p.m. on February 6, 2023, the parties shall provide the Registrar with their mutually agreeable proposed hearing date for the Motion, and a proposed schedule for the exchange of materials for each phase of the Motion;

Appointment of the Amicus Curiae

Appointment and Scope

5. Nader R. Hasan of Stockwoods LLP is appointed as the Amicus;

6. the Amicus and the Commission will enter into a retainer agreement, which will establish terms for the payment of the Amicus's reasonable fees and disbursements;

7. the Amicus may address the Panel should there be any disagreements or misunderstandings on the reimbursement of the reasonable fees and disbursements of the Amicus;

8. this Order does not:

   a. create a solicitor-client relationship between the Amicus and any of the parties;

   b. create an ongoing duty of loyalty between the Amicus and any of the parties; or

   c. create a duty of candour between the Amicus and any of the parties;

9. the parties or the Amicus may apply to the Panel, on notice to the other parties, to vary terms 5-16 of this Order relating to the Amicus;

Access to Documents

10. each party shall serve the Amicus with their respective materials already filed in connection with the Motion;

11. after the date of this Order, any document served by the parties in connection with the Motion shall also be served on the Amicus;

12. the Amicus may apply to the Panel, with notice to the parties, to request additional documents at any time;

Communications with the Amicus

13. the parties can communicate with the Amicus at any time, subject to the confidentiality restrictions contained in this Order;

14. communications between the parties and their counsel concerning legally privileged matters do not lose that privilege if shared with the Amicus;

15. the Amicus shall not, without prior leave of the Panel, reveal any information about the Confidential Material, or any other confidential information relating to the Motion, to the public, the respondents, or their counsel, including all materials filed in connection with the Confidential Phase (the **Confidential Filings**);

16. nothing in this Order prevents the Amicus from sharing the Confidential Materials or the Confidential Filings with other lawyers or staff at Stockwoods LLP acting under the direction of the Amicus, who shall also be bound by the terms of this Order;

First Non-Confidential Phase

17. during the First Non-Confidential Phase, all parties shall make submissions on the issues raised in the Motion;

18. the Amicus may attend the hearing of the First Non-Confidential Phase and, with leave of the Panel, make submissions;

Confidential Phase

19. the Confidential Phase will be conducted *in camera*, with OSC Staff and the Amicus in attendance, in the absence of the public and the respondents, unless expressly authorized by the Panel;

20. any of the respondents may, but are not required to, file confidential written materials in connection with the Confidential Phase;

21. during the Confidential Phase:

    a. OSC Staff will make submissions to the Panel on all remaining issues raised in the Motion, based on the Confidential Filings;

    b. the Amicus may present issues, argument, and evidence favouring any party, including the respondents, as he sees fit;

    c. the Amicus may read, hear, challenge, and respond to the evidence and the submissions made by OSC Staff or in any of the Confidential Filings, as the Amicus sees fit, taking into account the interests of any party. This can include cross-examination, calling witnesses, and making submissions to the Panel on factual and legal issues; and

    d. OSC Staff will have a right of reply to any submissions made by the Amicus;

22. the transcript of the hearing of the Confidential Phase and the Confidential Filings shall be kept confidential both from the respondents and from the public, pursuant to subsection 2(2) of the *TARA* and Rule 22(4) of the *Rules*;

Second Non-Confidential Phase

23. the Second Non-Confidential Phase of the Motion will be held after the completion of the Confidential Phase;

24. during the Second Non-Confidential Phase, the parties may make further submissions;

25. no additional evidence may be adduced during the Second Non-Confidential Phase, absent leave of the Panel; and

26. the Amicus may attend the hearing of the Second Non-Confidential Phase and, with leave of the Panel, make submissions.

“Russell Juriansz”

“Cathy Singer”

“James Douglas”

A.3.3 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
Sandra Blake

January 30, 2023

ORDER

WHEREAS on January 30, 2023, the Capital Markets Tribunal held a hearing by videoconference with respect to disclosure motions brought by David Sharpe and Natasha Sharpe;

ON HEARING the submissions of the representatives for each of David Sharpe, Natasha Sharpe, Staff of the Ontario Securities Commission, and the receiver of Bridging Finance Inc., and Andrew Mushore electing not to participate on the motions, and on reading the materials filed;

IT IS ORDERED that:

1. for reasons to follow, the disclosure motions brought by David Sharpe and Natasha Sharpe are dismissed;

2. each party shall provide to the Registrar a completed copy of the *E-hearing Checklist for Videoconference Hearings* by 4:30 p.m. on May 19, 2023;

3. each party shall serve each other Party with a hearing brief containing copies of the documents, and identifying the other things, that the party intends to produce or enter as evidence at the merits hearing, by noon on May 25, 2023;

4. a further attendance in this proceeding is scheduled for May 26, 2023, by videoconference, at 10:00 a.m., or on such other date and time as may be agreed to by the parties and set by the Governance & Tribunal Secretariat; and

5. each party shall provide to the Registrar the electronic documents that the party intends to rely on or enter into evidence at the merits hearing, along with an index file containing hyperlinks to the documents in the hearing brief, in accordance with the *Protocol for E-hearings*, by 4:30 p.m. on June 21, 2023.

“Russell Juriansz”

“Timothy Moseley”

“Sandra Blake”

A.4
Reasons and Decisions

A.4.1 Mark Hamlin – s. 17(1)

Citation: *Hamlin (Re)*, 2023 ONCMT 5
Date: 2023-01-30
File No. 2022-16

IN THE MATTER OF
MARK HAMLIN

REASONS FOR DECISION
(Subsection 17(1) of the Securities Act, RSO 1990, c S.5)

Adjudicators:	Andrea Burke (chair of the panel) Timothy Moseley Geoffrey D. Creighton	
Hearing:	By videoconference, October 31, 2022	
Appearances:	Erin Hoult	For Staff of the Ontario Securities Commission
	Steven Sofer Usman Sheikh Alex Zavaglia	For Mark Hamlin

REASONS FOR DECISION

1. OVERVIEW

[1] These reasons relate to a question about the interplay between the *Securities Act*'s[1] (the ***Act***) protection of the confidentiality of investigations, and the Ontario Superior Court of Justice's response to a letter of request received from a U.S. court, the subject matter of which overlaps with an investigation in Ontario.

[2] Mark Hamlin was examined as a witness in an investigation conducted using the compulsory powers contained in an order that the Ontario Securities Commission (**OSC**) issued under s. 11 of the *Act*. Hamlin is also a deposition witness in a U.S. court proceeding that arises from some of the facts underlying the OSC investigation. Hamlin applied to the Capital Markets Tribunal (the **Tribunal**) for authorization under s. 17 of the *Act* to make various disclosures in the context of the U.S. proceeding, because he is concerned that such disclosures would otherwise be prohibited by s. 16 of the *Act*.

[3] In response to Hamlin's application, OSC Staff submitted its concern that the Ontario Superior Court of Justice (the **Ontario Court**), and not the Tribunal, has jurisdiction over the U.S. court's request to receive Hamlin's testimony and that the Ontario Court's jurisdiction displaces the Tribunal's jurisdiction under s. 17 of the *Act*.

[4] OSC Staff also submitted that in the event that the Tribunal determined that it had jurisdiction, it should decline to exercise such jurisdiction given the Ontario Court's involvement. In the further alternative, OSC Staff also submitted that it is not in the public interest for the Tribunal to grant the requested relief under s. 17 of the *Act*, including because of the Ontario Court's involvement.

[5] A differently constituted panel of this Tribunal determined, as a preliminary matter, that the Tribunal has jurisdiction to make the order that Hamlin requests.[2] That panel did not decide whether the Tribunal should exercise its jurisdiction in the circumstances.

1 RSO 1990, c S.5

2 *Hamlin (Re)*, (2022) 45 OSCB 8962; *Hamlin (Re)*, 2023 ONCMT 1 (***Hamlin***)

[6] On October 31, 2022, we granted the s. 17 relief requested by Hamlin, for reasons to follow[3], following written and oral submissions of the parties, including the affidavit evidence of Andre J. Moniz, sworn October 25, 2022[4]. These are our reasons for that decision.

2. BACKGROUND

[7] At the request of staff of the U.S. Commodity Futures Trading Commission Division of Enforcement (**CFTC Staff**), the OSC issued a s. 11 investigation order authorizing certain members of CFTC Staff and of OSC Staff to investigate and inquire into possible violations of the U.S. *Commodity Exchange Act* and CFTC Regulations thereunder. Hamlin attended a compelled examination conducted by OSC Staff and CFTC Staff under s. 13 of the *Act* in May 2019.

[8] In December 2019, the CFTC commenced an action in the United States District Court for the Southern District of New York (the **SDNY Court**) against Christophe Rivoire (the **SDNY Action**). Hamlin is not a party to the SDNY Action.

[9] CFTC Staff provided the transcript of Hamlin's compelled examination to Rivoire in the SDNY Action during pre-trial discovery. CFTC Staff did not seek or obtain an order under s. 17 of the *Act* authorizing the disclosure of the transcript to Rivoire.

[10] At Rivoire's request, the SDNY Court issued a letter of request to the Ontario Court to compel Hamlin's attendance at an examination by the parties in the SDNY Action. The SDNY Court's letter of request was recognized and enforced by the Ontario Court through an order that was issued on consent of the parties, including Hamlin, in March 2022.

[11] CFTC Staff advised Hamlin that it intended to elicit testimony from him about his May 2019 compelled examination and transcript.

[12] Hamlin then brought this application. In addition to materials already marked as exhibits in this proceeding, Hamlin relies upon a copy of the August 29, 2022, transcript of the hearing in the SDNY Action[5] and a copy of the order of the SDNY Court granting an extension of the discovery deadline to December 1, 2022[6].

[13] Following a first attendance in this proceeding, Hamlin attended an examination in the U.S. proceeding. Hamlin was asked, but refused to answer, questions about his May 2019 compelled examination. CFTC Staff then obtained an extension of the discovery deadline in the SDNY Action for purposes of re-examining Hamlin, and advised Hamlin that it wished to re-examine him about his May 2019 compelled examination.

3 ANALYSIS

3.1 Introduction

[14] The sole remaining issue raised by Hamlin's application is whether it would be in the public interest for us to grant the s. 17 relief that Hamlin requests.

[15] We agree with OSC Staff and Hamlin that our consideration of this issue does not require us to decide the question of whether CFTC Staff required a s. 17 order authorizing it to disclose Hamlin's compelled examination transcript in the SDNY Action. Accordingly, we have not addressed that question.

3.2 The Statutory Framework and the Test for Authorizing Disclosure

[16] First, we turn to consider an overview of the statutory framework at the heart of this application and the test for authorizing disclosure under s. 17 of the *Act*.

[17] Section 16 of the *Act* prohibits disclosure of, among other things, the nature or content of a s. 11 investigation order and testimony given under s. 13. Disclosure may be made only if a prescribed exception applies. One of the prescribed exceptions is an order under s. 17 authorizing disclosure.

[18] The Tribunal may make a s. 17 order authorizing the disclosure of information subject to the s. 16 disclosure prohibition, provided that the Tribunal considers that it would be in the public interest to do so.

---

3 *Hamlin (Re),* (2022) 45 OSCB 9330

4 We have marked the Affidavit of Andre J. Moniz, sworn October 25, 2022 as Exhibit 4 in this proceeding

5 The August 29, 2022, transcript of the hearing in the SDNY Action is marked as Exhibit 5 in this proceeding

6 The October 26, 2022, order of the SDNY Court is marked as Exhibit 6 in this proceeding

[19] This Tribunal has held that the confidentiality and non-disclosure obligations under s. 16 of the *Act* are central to preserving the integrity of investigations conducted by OSC Staff, which are presumptively confidential, and also protecting the privacy of the individuals compelled to provide testimony and of the market participants being investigated.[7]

[20] The Tribunal's task on an application for s. 17 relief can be broken down into two stages. First, the Tribunal must give meaning to the phrase "public interest" in s. 17(1) by identifying the factors relevant to the public interest and the framework within which those factors can be weighed. Second, the Tribunal must apply the framework to the specific circumstances of the case.[8]

[21] When considering whether it is in the public interest to issue an order authorizing disclosure under s. 17(1), the Tribunal must consider the purpose for which the disclosure is sought and the specific circumstances of the case, and must balance that against the presumption of confidentiality.[9]

3.3 Is it in the public interest to authorize Hamlin to make disclosure in the SDNY Action?

[22] We turn next to consider whether it is in the public interest for us to grant the relief Hamlin seeks. We conclude that it is.

[23] Hamlin's purpose in seeking a s. 17 order, and his proposed disclosure, are consistent with the public interest. Hamlin seeks authorization to disclose so that he can answer questions on his examination in the SDNY Action without risk of breaching s. 16 of the *Act*. The SDNY Action is, at least in part, a product of the very s. 11 investigation in which Hamlin gave his compelled testimony. Thus, the purpose of Hamlin's proposed disclosure advances the foreign regulatory proceeding resulting from the s. 11 investigation in which Hamlin gave his compelled testimony. Indeed, the SDNY Court recognized as much, stating explicitly its hope that the OSC would lift the confidentiality restrictions so that Hamlin's deposition can be completed, allowing a full record.

[24] The usual factors for consideration on a s. 17 application as set out above do not stand in the way of granting the requested order. Hamlin himself seeks the order, so there is no threat to his privacy interests, and OSC Staff has confirmed that in this case the protection of the privacy interests of persons compelled to give evidence is not a consideration. OSC Staff also has no concerns about impairment of the integrity of an ongoing s. 11 investigation. The only reasons that OSC Staff offers for resisting the application are because of the Ontario Court's involvement in issuing the order recognizing and enforcing the SDNY Court's letter of request and because Hamlin allegedly does not require a s. 17 order in the circumstances.

[25] OSC Staff submits that as a matter of public interest we should decline to exercise our jurisdiction and we should not, in any event, grant the s. 17 relief that Hamlin seeks. OSC Staff's central submission is that we should not grant the s. 17 relief because the Ontario Court is solely responsible for considering and enforcing letters of request from foreign authorities and remains seized for advice and directions concerning Hamlin's examination in the SDNY Action. OSC Staff submits that if we grant a s. 17 order without the Ontario Court's knowledge or invitation, we will risk undermining the Ontario Court's authority to issue binding orders recognizing letters of request, thereby usurping the Ontario Court's function to consider issues and other matters raised by Hamlin's concerns. OSC Staff also submits that there is a risk that our order would be contrary to any decision that the Ontario Court may make on the issue of whether Hamlin should or must answer certain questions on his examination.

[26] OSC Staff further submits that this case is unique and that the "public interest" we should take into account in considering whether to grant the s. 17 relief is the public interest in the "authority of the [Ontario] Court to grant enforceable orders recognizing foreign letters of request". OSC Staff submits that a decision to grant s. 17 relief to Hamlin will undermine this authority of the Ontario Court, thus potentially adversely affecting the Ontario Court's ability to receive similar assistance from foreign courts.

[27] OSC Staff also submits that we should decline to make a s. 17 order and dismiss Hamlin's application, without prejudice to any further future application that Hamlin might choose to bring back before the Tribunal following the receipt of advice and direction from the Ontario Court.

[28] These submissions by OSC Staff revisit and largely repeat OSC Staff's submissions on the preliminary issue of whether the Tribunal has the jurisdiction to grant a s. 17 order in the circumstances. As a differently constituted panel found and we agree, i) neither this application nor any s. 17 relief that we might grant conflicts with or undermines the Ontario Court's order, ii) this application does not ask us to make any determinations about Hamlin's rights or obligations under the Ontario Court's order, nor to make any decision that might interfere in any way with or undermine the terms of the

7 *Katanga Mining Limited (Re)*, 2019 ONSEC 4 (***Katanga***) at para 14**;** *Sharpe (Re)*, 2022 ONSEC 3 at para 33

8 *Deloitte & Touche LLP v Ontario (Securities Commission)*, 2002 CanLII 44980 (ONCA) at para 26, aff'd 2003 SCC 61

9 *Katanga* at para 16

order, and iii) any s. 17 relief that we might grant will not impair the Ontario Court's ability to receive foreign assistance or to effectively adjudicate and enforce letters of request from foreign courts.[10]

[29] Additionally, we note that the Ontario Court's order does not require Hamlin to seek advice and directions from the Court regarding the order. The language of paragraph 7 of the Ontario Court's order relating to seeking the advice and directions of the Court is permissive, not mandatory. As well, and as previously determined in this proceeding, nothing in the Ontario Court's order excludes or displaces the statutory jurisdiction of this Tribunal to grant a s. 17 order.[11] In the circumstances, we do not accept OSC Staff's submission that we should dismiss Hamlin's application and effectively require him to first raise his concerns regarding s. 16 of the *Act* with the Ontario Court.

[30] OSC Staff also submits that we should not grant a s. 17 order, because Hamlin does not require one. OSC Staff argues that because the parties to the SDNY Action already have the transcript of Hamlin's compelled examination, answering questions about his compelled examination will not result in a breach of s. 16. OSC Staff's statutory interpretation argument is predicated on a *Black's Law Dictionary* definition of "disclose"—"[t]o make (something) known or public; to show (something) after a period of inaccessibility or of being unknown; to reveal"[12].

[31] OSC Staff submits that Hamlin can answer questions about his compelled examination at an examination attended by the parties to the SDNY Action without disclosing any confidential information, contrary to s. 16 of the *Act*, because there is no "disclosure" contrary to s. 16 unless information previously unknown or unavailable to the recipients of the information is revealed to them. Hamlin submits that this is not a correct interpretation of s. 16 as it ignores the categorical prohibition in s. 16 ("no person or company shall disclose at any time") and would offend the underlying purposes of s. 16 of the *Act* which contains only limited and narrow exceptions to the prohibition against disclosure without a s. 17 order.

[32] Even if we were to accept the OSC Staff's submission that Hamlin would not be "disclosing" in breach of s. 16 if he answers questions in the presence of the SDNY parties limited to the content of the transcript of his compelled examination, we do not accept that Hamlin does not require a s. 17 order. The s. 17 relief that he is seeking extends beyond just the transcript that was provided to Rivoire by CFTC Staff. OSC Staff's argument also does not address the purposes for which Hamlin's examination transcript in the SDNY Action will be used or the persons with whom the transcript may be shared beyond the parties to the SDNY Action. We note that on this latter point, no evidence was filed nor submissions made.

4. CONCLUSION

[33] We conclude that it is in the public interest to grant Hamlin a s. 17 order. We do not agree with OSC Staff's submission that the Ontario Court's order and involvement in this matter is a reason to deny Hamlin s. 17 relief, nor do we agree with OSC Staff that Hamlin does not require the relief sought.

[34] For these reasons, on October 31, 2022, we issued an order under s. 17 of the *Act* authorizing Hamlin to provide deposition testimony in the SDNY Action, and to make any disclosures related to such deposition to the SDNY Court or the parties in the SDNY Action concerning the following topics:

a. Hamlin's compelled testimony given at an examination conducted on May 23, 2019, under section 13 of the *Act*;

b. the OSC's investigation order issued on April 2, 2019, under section 11 of the *Act*, pursuant to which the May 2019 examination was conducted;

c. the transcript of the May 2019 examination; and

d. any other document, correspondence, information or evidence relating to the May 2019 examination and any related interactions with OSC Staff or CFTC Staff that is subject to the confidentiality restrictions set out in section 16 of the *Act* or the OSC's investigation order.

Dated at Toronto this 30th day of January, 2023

"Andrea Burke"

"Timothy Moseley"

"Geoffrey D. Creighton"

10 *Hamlin* at paras 18, 23, 25

11 *Hamlin* at para 18

12 Bryan A Garner, ed, *Black's Law Dictionary*, 11th ed (St Paul, Minn: Thomson Reuters, 2019) definition of "disclose" and "disclosure"

B. Ontario Securities Commission

B.1
Notices

B.1.1 CSA Staff Notice – CSA Coordinated Blanket Order 51-930 Exempting Reporting Issuers Incorporated under the Canada Business Corporations Act from the Director Election Form of Proxy Requirement

CSA/ACVM Canadian Securities Administrators Autorités canadiennes en valeurs mobilières

CSA Staff Notice

CSA Coordinated Blanket Order 51-930 Exempting Reporting Issuers Incorporated under the *Canada Business Corporations Act* from the Director Election Form of Proxy Requirement

January 31, 2023

PART 1 – Introduction

On January 31, 2023, the Canadian Securities Administrators (**CSA**) published an exemption from the director election form of proxy requirement in subsection 9.4(6) of National Instrument 51-102 *Continuous Disclosure Obligations* (**NI 51-102**) for reporting issuers incorporated under the *Canada Business Corporations Act* (**CBCA**) in respect of the uncontested election of directors. The CSA has implemented the relief through local blanket orders that are substantively harmonized across the country. This notice contains CSA staff's views about the exemption in the local blanket orders (collectively, the **Blanket Orders**).

PART 2 – Description of the Blanket Orders

The Blanket Orders exempt CBCA-incorporated reporting issuers from the director election form of proxy requirements in subsection 9.4(6) of NI 51-102 in respect of the uncontested election of directors.

PART 3 – Background

Reporting issuers incorporated under the CBCA must send a form of proxy to shareholders when giving notice of a shareholder meeting. Before August 31, 2022, CBCA-incorporated reporting issuers were generally required to provide an option for shareholders to vote "for" director candidates or to "withhold" their shares from voting. This requirement aligned with that in subsection 9.4(6) of NI 51-102, which requires that a form of proxy sent to securityholders of a reporting issuer provide an option for the securityholder to specify that the securities registered in the name of the securityholder must be voted or withheld from voting in respect of the election of directors.

On August 31, 2022, amendments to the CBCA and the *Canada Business Corporations Regulations, 2001* (**CBCR**) (the **Majority Voting Amendments**) came into effect that generally require "majority voting" for each candidate nominated for director in uncontested director elections of CBCA-incorporated reporting issuers. Pursuant to subsection 149(1) of the CBCA and subsection 54.1(2) of the CBCR, where the Majority Voting Amendments apply, the form of proxy must provide shareholders with the option to specify whether their vote is to be cast "for" or "against" each candidate nominated for director, rather than "voted" or "withheld" from voting as required by subsection 9.4(6) of NI 51-102.

Some stakeholders have raised concerns about the discrepancy between these requirements in terms of voting options to be provided to shareholders of CBCA-incorporated reporting issuers. The Blanket Orders aim to respond to this concern by exempting CBCA-incorporated reporting issuers from the requirement to specify that securities be voted or withheld from voting in respect of the election of directors, as required by subsection 9.4(6) of NI 51-102, where the reporting issuers comply with Majority Voting Amendments.

The CSA is considering whether future proposed amendments to subsection 9.4(6) of NI 51-102 are appropriate. Any such amendments would be adopted by the CSA through the normal rule-making procedures on a coordinated basis.

PART 4 – Day on Which the Order Ceases to Have Effect (Ontario-only)

In Ontario, the Blanket Order comes into effect on January 31, 2023, and remains in effect until the earlier of the following:

(a) July 31, 2024, unless extended; and

(b) the effective date of an amendment to NI 51-102 that addresses substantially the same subject matter as the Blanket Order.

PART 5 – Questions

If you have any questions regarding the Blanket Orders, please contact any of the following:

Michael Balter
Manager, Corporate Finance Branch
Ontario Securities Commission
416-566-7554
mbalter@osc.gov.on.ca

Joanna Akkawi
Senior Legal Counsel, Corporate Finance Branch
Ontario Securities Commission
416-593-8179
jakkawi@osc.gov.on.ca.ca

Trevor Fairlie
Legal Counsel, Office of Mergers & Acquisitions
Ontario Securities Commission
416-593-2323
tfairlie@osc.gov.on.ca

Tim Robson
Manager, Legal, Corporate Finance
Alberta Securities Commission
403-355-6297
timothy.robson@asc.ca

Sebastian Maturana
Legal Counsel, Corporate Finance
Alberta Securities Commission
403-355-4863
Sebastian.Maturana@asc.ca

Michel Bourque
Senior Regulatory Advisor
Autorité des marchés financiers
514-395-0337, extension 4466
Michel.Bourque@lautorite.qc.ca

Charlotte Verdebout
Senior Analyst, Supervision of Issuers and Insiders
Autorité des marchés financiers
514-395-0337, extension 4339
Charlotte.Verdebout@lautorite.qc.ca

Gordon Smith
Associate Manager
British Columbia Securities Commission
604-899-6656
gsmith@bcsc.bc.ca

Heather Kuchuran
Director, Corporate Finance
Financial and Consumer Affairs Authority of Saskatchewan
306-787-1009
heather.kuchuran@gov.sk.ca

Patrick Weeks
Deputy Director – Corporate Finance
Manitoba Securities Commission
204-945-3326
patrick.weeks@gov.mb.ca

Frank McBrearty
Senior Legal Counsel
Financial and Consumer Services Commission, New Brunswick
506-658-3119
frank.mcbrearty@fcnb.ca

Peter Lamey
Legal Analyst Corporate Finance
Nova Scotia Securities Commission
902-424-7630
peter.lamey@novascotia.ca

B.2
Orders

B.2.1 Turquoise Hill Resources Ltd.

Headnote

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

Applicable Legislative Provisions

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

[TRANSLATION]

January 25, 2023

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

AND

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

AND

IN THE MATTER OF
TURQUOISE HILL RESOURCES LTD.
(the Filer)

ORDER

Background

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 Autorité des marchés financiers is the principal regulator for this application,

(b) the Filer has provided notice that subsection 4C.5(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 each British Columbia, Alberta, Saskatchewan, Manitoba, New Brunswick, Nova Scotia, Prince Edward Island, Newfoundland, Yukon, Northwest Territories and Nunavut, 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

Terms defined in *Regulation 14-101 respecting Definitions*, CQLR c V-1.1, r 3, Regulation 11-102 and, in Québec, in *Regulation 14-501Q,* CQLR c V-1.1, r 4, *on definitions* 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 Filer is not an OTC reporting issuer under *Regulation 51-105 respecting Issuers Quoted in the U.S. Over-the-Counter Markets,* CQLR c V-1.1, r 24.1;

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 *Regulation 21-101 respecting Marketplace Operation,* CQLR c V-1.1, r 5, 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

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.

"Marie-Claude Brunet-Ladrie"
Director, Supervision of Issuers and Insiders

OSC File #: 2022/0577

B.2.2 CAVU Energy 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.

January 24, 2023

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
CAVU ENERGY 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; and

(b) 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 #: 2022/0588

B.2.3 Manufacturers Life Insurance Company

Headnote

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

Applicable Legislative Provisions

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

January 27, 2023

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
THE MANUFACTURERS LIFE INSURANCE COMPANY
(the Filer)

ORDER

Background

The principal regulator in the Jurisdiction has received an application from the Filer for an order under the securities legislation of the Jurisdiction of the principal regulator (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 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 all provinces and territories of Canada other than Ontario.

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 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

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.

"Michael Balter"
Manager, Corporate Finance
Ontario Securities Commission

OSC File #: 2022/0547

B.2.4 NorZinc Ltd.

Headnote

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

Applicable Legislative Provisions

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

January 30, 2023

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
NORZINC LTD.
(the Filer)

ORDER

Background

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

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

(a) the British Columbia Securities Commission is the principal regulator for this application,

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

(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 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 #: 2022/0587

B.2.5 CSA Coordinated Blanket Order 51-930 Exempting Reporting Issuers Incorporated under the Canada Business Corporations Act from the Director Election Form of Proxy Requirement

Ontario Securities Commission

CSA COORDINATED BLANKET ORDER 51-930

Citation: Re Exemption From the Director Election Form of Proxy Requirement

Date: January 31, 2023

Definitions

1. Terms defined in the *Securities Act* (Ontario) (the **Act**) and National Instrument 51-102 *Continuous Disclosure Obligations* (**NI 51-102**) have the same meaning in this Blanket Order.

2. In this Blanket Order:

   "**CBCA**" means the *Canada Business Corporations Act*; and

   "**CBCR**" means the *Canada Business Corporations Regulations, 2001*.

Background

3. Under subsection 9.4(6) of NI 51-102, a form of proxy sent to securityholders of a reporting issuer must provide an option for the securityholder to specify that the securities registered in the name of the securityholder must be voted or withheld from voting in respect of the election of directors (the **Director Election Form of Proxy Requirement**).

4. On August 31, 2022, subsection 106(3.4) of the CBCA came into effect generally requiring "majority voting" for each candidate nominated for director in uncontested director elections of CBCA-incorporated reporting issuers (the **Majority Voting Amendments**). Pursuant to subsection 149(1) of the CBCA and subsection 54.1(2) of the CBCR, where the Majority Voting Amendments apply, the form of proxy must allow shareholders to specify, for each candidate nominated for director, whether their vote is to be cast "for" or "against" the candidate.

5. The Commission seeks to clarify the Director Election Form of Proxy Requirement for CBCA-incorporated reporting issuers in respect of the uncontested election of directors.

Order

6. Subsection 13.1(1) of NI 51-102 provides that the regulator or regulatory authority, as the case may be, may grant an exemption from NI 51-102, in whole or in part, subject to such conditions or restrictions as may be imposed.

7. The Commission, considering that it would not be prejudicial to the public interest to do so, orders under subsection 143.11(2) of the Act that a reporting issuer that is incorporated under the CBCA is exempt from the Director Election Form of Proxy Requirement, if

   (a) the election of directors is conducted pursuant to subsection 106(3.4) of the CBCA, and

   (b) the reporting issuer complies with subsection 149(1) of the CBCA and subsection 54.1(2) of the CBCR.

Effective Date and Term

8. This Blanket Order comes into effect on January 31, 2023 and will cease to be effective on the earlier of the following:

   (a) July 31, 2024, unless extended by the Commission;

   (b) the effective date of an amendment to NI 51-102 that addresses substantially the same subject matter as this Blanket Order.

For the Commission:

"Grant Vingoe"
Chief Executive Officer
Ontario Securities Commission

This page intentionally left blank

B.3
Reasons and Decisions

B.3.1 MHR Fund Management LLC

Headnote

Multilateral Instrument 11-102 Passport System and National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Relief from the take-over bid requirements in Part 2 of NI 62-104 to allow for thresholds in the exemption normal course purchases to be calculated by the capital market participant based on the aggregate number of the issuer's two classes of listed securities, as opposed to on a per-class basis – listed securities separated into two distinct classes (by Canadian status of the holder) to allow the issuer to track its Canadian shareholder composition and ensure that it maintains its status as Canadian-controlled for regulatory, financing and contractual purposes – listed securities trade under the same ticker symbol and CUSIP, are economically equivalent and are mandatorily inter-convertible upon a change in the holder's Canadian status – relief granted, subject to conditions, to allow the capital market participant to calculate thresholds for the normal course purchase exemption in section 4.1 of NI 62-104 on the basis of the outstanding listed securities of both classes.

Applicable Legislative Provisions

National Instrument 62-104 Take-Over Bids and Issuer Bids, Part 2 and s. 6.1.

January 26, 2023

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

AND

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

AND

IN THE MATTER OF
MHR FUND MANAGEMENT LLC
(the Filer)

DECISION

Background

The principal regulator in the Jurisdiction has received an application from the Filer pursuant to section 6.1 of National Instrument 62-104 *Take-Over Bids and Issuer Bids* (**NI 62-104**) for a decision under the securities legislation of the Jurisdiction of the principal regulator (the **Legislation**) exempting the Filer and the members of the MHR Group (as defined below) from the requirements set out in Part 2 of NI 62-104 applicable to take-over bids in connection with normal course purchases by any of them occurring on published markets of outstanding Class A common shares of Telesat Corporation (the **Company**, and such shares, the **Class A Shares**) or Class B variable voting shares of the Company (the **Class B Variable Voting Shares**, and together with the Class A Shares, the **Listed Shares**), as the case may be, which would constitute a take-over bid under the Legislation as a result of the securities subject to the offer to acquire, together with the offeror's securities, representing in the aggregate 20% or more of the outstanding Class A Shares or Class B Variable Voting Shares, as the case may be, at the date of the offer to acquire (the **Exemption Sought**).

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

(a) the Ontario Securities Commission is the principal regulator for this application; and

(b) the 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 by the Filer in Alberta, British Columbia, Manitoba, New Brunswick, Newfoundland, the Northwest Territories, Nova Scotia, Nunavut, Prince Edward Island, Quebec, Saskatchewan and the Yukon Territory.

Interpretation

Terms defined in National Instrument 14-101 *Definitions*, MI 11-102 and NI 62-104 have the same meaning if used in this decision, unless otherwise defined.

Representations

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

The Filer

1. The Filer is a limited liability company incorporated in the state of Delaware that is validly existing and in good standing. The Filer's principal executive office is located at 1345 Avenue of the Americas, 42nd Floor, New York, New York, 10105.

2. The Filer is a private equity firm that invests in middle market companies and assets. The Filer advises various affiliated funds pursuant to investment management agreements.

3. MHR Capital Partners Master Account LP, MHR Capital Partners Master Account II Holdings LLC, MHR Capital Partners (100) LP, MHR Institutional Partners LP, MHRM LP, MHRA LP, MHR Institutional Partners II LP, MHR Institutional Partners IIA LP, MHR Institutional Partners III LP, MHR Capital Partners Master Account II LP, MHR Advisors LLC, MHR Institutional Advisors LLC, MHR Institutional Advisors II LLC, MHR Institutional Advisors III LLC, MHRC LLC, MHRC I LLC, MHRC II LLC, MHR Holdings LLC and Dr. Mark H. Rachesky (**Dr. Rachesky** and collectively, the **Potential Joint Actors**) may be considered to be joint actors of the Filer. Dr. Rachesky is also a director of the Company.

4. The Filer is an affiliate of and has an investment management agreement with each of MHR Capital Partners Master Account LP, MHR Capital Partners Master Account II LP, MHR Capital Partners (100) LP, MHR Institutional Partners LP, MHRA LP, MHRM LP, MHR Institutional Partners II LP, MHR Institutional Partners IIA LP and MHR Institutional Partners III LP (the **Affiliates** and together with the Potential Joint Actors and any other entity managed or controlled by the Filer, the **MHR Group**).

The Company and the Partnership

5. The Company is a corporation incorporated under the *Business Corporations Act* (British Columbia).

6. The Company's registered office is located at 666 Burrard Street, Suite 1700, Vancouver, British Columiba, V6C 2X8, and its head office and principal place of business is located at 160 Elgin Street, Suite 2100, Ottawa, Ontario, K2P 2P7.

7. The Company is a reporting issuer in each of the provinces and territories of Canada.

8. Telesat Partnership LP (the **Partnership**) is a limited partnership formed under the laws of Ontario on November 12, 2020.

9. The Partnership's head office and principal place of business is located at 160 Elgin Street, Suite 2100, Ottawa, Ontario, K2P 2P7. The Company is the general partner of the Partnership.

10. The Partnership is a reporting issuer in each of the provinces and territories of Canada.

Pre-Closing Reorganization

11. Prior to the Company and the Partnership becoming reporting issuers on November 16, 2021, the Company and the Partnership undertook certain pre-closing capital changes (the **Pre-Closing Reorganization**), the terms of which are set out in a transaction and plan of merger agreement (the **Transaction Agreement**) dated November 23, 2020 among the Company**,** the Partnership, Telesat Canada, Telesat CanHold Corporation, Loral Space & Communications Inc. (**Loral**), Lion Combination Sub Corporation, Public Sector Pension Investment Board (**PSP Investments**) and Red Isle Private Investments Inc. (**Red Isle**).

12. As part of the Pre-Closing Reorganization, the Filer acquired control over 18,035,092 Class B Units (as defined below) in exchange for the 18,035,092 shares of common stock of Loral over which it previously exercised control. In addition, Dr. Rachesky acquired 15,000 Class B Units and 46,136 Class B Variable Voting Shares. Loral became a wholly-owned subsidiary of the Partnership as a result of the Pre-Closing Reorganization.

13. As of September 30, 2022, the Filer exercises control over 18,035,092 Class B Units, representing approximately 95.7% of the Class B Units and approximately 59.1% of the Listed Shares on a fully exchanged and converted basis.

14. As of September 30, 2022, Dr. Rachesky exercises control over 15,000 Class B Units, representing approximately 0.1% of the Class B Units, and 46,136 Class B Variable Voting Shares, representing approximately 0.4% of the outstanding Class B Variable Voting Shares (and collectively representing approximately 0.5% of the outstanding Listed Shares on a fully exchanged and converted basis).

15. The MHR Group's indirect economic interests in the subsidiaries of the Company and the Partnership did not change as a result of the Pre-Closing Reorganization or the closing of the transactions contemplated by the Transaction Agreement.

Capital Structure of the Company

16. The authorized share capital of the Company consists of: (a) an unlimited number of Class A Shares; (b) an unlimited number of Class B Variable Voting Shares; (c) an unlimited number of Class C fully voting shares (the **Class C Fully Voting Shares**); (d) an unlimited number of Class C limited voting shares (and together with the Class C Fully Voting Shares, the **Class C Shares**, and the Class A Shares, Class B Variable Voting Shares and the Class C Shares collectively being the **Company Shares**); (e) one Class A Special Voting Share; (f) one Class B Special Voting Share; (g) one Class C Special Voting Share (and together with the Class A Special Voting Share and Class B Special Voting Share, the **Special Voting Shares**); (h) an unlimited number of Super Voting Shares; (i) one Golden Share; and (j) an unlimited number of "blank check" Class A Preferred Shares.

17. The Class A Shares and Class B Variable Voting Shares commenced trading on the Toronto Stock Exchange and the Nasdaq Global Select Market on November 19, 2021. The Class A Shares and Class B Variable Voting Shares are the only securities of the Company listed for trading and trade under a single ticker symbol and CUSIP.

18. The articles of the Company require that holders of Class A Shares be Canadian (as such term is defined by the *Investment Canada Act*). Class A Shares will immediately be converted into Class B Variable Voting Shares without any further act of the Company or the holder thereof if such Class A Shares become beneficially owned or controlled, directly or indirectly, by a person who is not Canadian.

19. The articles of the Company allow a holder of Class B Variable Voting Shares to notify the Company of its Canadian status and upon providing evidence satisfactory to the Company of its Canadian status, such Class B Variable Voting Shares convert automatically into Class A Shares.

20. Ownership of the Class C Fully Voting Shares is restricted to Red Isle or PSP Investments (or permitted transferees thereof that are wholly-owned by PSP Investments). The Class C Fully Voting Shares convert automatically to Class A Shares (where the transferee is a Canadian) or Class B Variable Voting Shares (where the transferee is not a Canadian) upon transfer to a person other than Red Isle or PSP Investments (or permitted transferees thereof that are wholly-owned by PSP Investments).

21. Ownership of the Class C limited voting shares is restricted to Red Isle or PSP Investments (or permitted transferees thereof that are wholly-owned by PSP Investments). Holders of Class C limited voting shares may vote on all matters submitted to shareholders of the Company other than the election of directors. The Class C limited voting shares convert automatically to Class A Shares (where the transferee is Canadian) or Class B Variable Voting Shares (where the transferee is not a Canadian) upon transfer to a person other than Red Isle or PSP Investments (or permitted transferees thereof that are wholly-owned by PSP Investments). The restrictions on voting rights attached to the Class C limited voting shares of the Company were designed to assist PSP Investments and Red Isle with ensuring compliance with specific legislation to which they are subject.

22. The Special Voting Shares are voted pursuant to the direction of the holders of the corresponding class of Partnership Units (as defined below) to enable such holders to vote on all matters submitted to the shareholders of the Company on an as-if-exchanged basis.

23. All of the Super Voting Shares were redeemed as part of the Pre-Closing Reorganization and the Company's articles prohibit the further issuance of any Super Voting Shares.

24. The Golden Share and the Special Voting Shares have no material economic entitlements.

25. The Golden Share would be entitled to participate in a particular vote when:

    (a) in the event of a vote with respect to the election of directors of the Company, the number of fully diluted Class B Variable Voting Shares is greater than the aggregate number of fully diluted Class A Shares and Class C Fully Voting Shares;

(b) in the event of a vote with respect to any matter other than the election of directors of the Company, the number of fully diluted Class B Variable Voting Shares is greater than the aggregate number of fully diluted Class A Shares and Class C Shares; or

(c) a person who is not Canadian beneficially owns or controls more than one-third of the sum of (i) the number of votes attached to the Company Shares and the Special Voting Shares then outstanding, and (ii) the Golden Share Canadian Votes (as defined and described below) (such person, a **Non-Canadian Principal Shareholder** and such limitation, the **Non-Canadian Voting Limitation**).

26. Voting power is attributed to the Golden Share in two ways. First, the Golden Share is attributed with the number of votes required to ensure that the votes cast by the holders of Class A Shares and Class A Units (as defined below) (indirectly via the Class A Special Voting Share), Class C Shares and Class C Units (as defined below) (indirectly via the Class C Special Voting Share), and the Golden Share, together, represent a simple majority of the votes cast and entitled to vote (such voting power, the **Golden Share Canadian Votes**). Second, the Golden Share is attributed with the number of votes in excess of the Non-Canadian Voting Limitation exercised by a Non-Canadian Principal Shareholder.

27. The Golden Share voting rights will be voted *pro rata* consistent with the sum of the aggregate votes of the Class A Shares and the Class A Special Voting Share (in each case, excluding any votes cast by or on behalf of PSP Investments and/or its affiliates) controlled by holders who can demonstrate that they are Canadian. However, if (a) one or more holders other than PSP Investments or its controlled affiliates holds an aggregate amount of Class A Shares and/or Class A Units exceeding 5% of the aggregate number of outstanding Company Shares and Partnership Units (as defined below) taken as a whole as of the record date for the applicable vote (each such holder, a "**5% Voter**"), and (b) the 5% Voters together hold over 50% of the aggregate number of outstanding Class A Shares and Class A Units (in each case, excluding any Class A Shares or Class A Units held by or on behalf of PSP Investments and/or its affiliates) taken as a whole as of the record date for the applicable vote, one-half of the voting rights attached to the Golden Share will be voted *pro rata* consistent with the aggregate votes cast on the applicable matter as described in the first sentence of this paragraph and the other half will be voted *pro rata* consistent with the aggregate votes cast on the applicable matter by the holders of Class A Shares and the Class A Special Voting Share (in each case, excluding any votes cast by or on behalf of the 5% Voters and PSP Investments and/or its affiliates).

28. Although the Listed Shares are two separate and distinct classes of shares, they are economically equivalent. The relevance of the distinction between the two classes (i.e., the Canadian status of the holder) is solely for the Company (i.e., so that the Company can track its Canadian shareholder composition) but has no relevance to the holders of the Listed Shares for economic purposes.

29. Holders of Class A Shares, Class B Shares, Class C Shares, Special Voting Shares and the Golden Share are generally entitled to receive notice of and attend meetings of the Company's shareholders and receive copies of all proxy materials, information statements and other written communications, including from third parties, given in respect of the Company Shares.

30. Holders of Company Shares have one vote for each share held at all meetings of the shareholders of the Company, except meetings at which only holders of another class or of a particular series have the right to vote, provided that Class C limited voting shares vote on all matters submitted to shareholders of the Company other than the election of directors of the Company.

Unit Structure of the Partnership

31. The amended and restated partnership agreement of the Partnership (the **A&R Partnership Agreement**) provides for a capital structure consisting of: (a) an unlimited number of general partnership units; (b) an unlimited number of Class A limited partnership units (the **Class A Units**); (c) an unlimited number of Class B limited partnership units (the **Class B Units**); (d) an unlimited number of Class C limited partnership units (the **Class C Units**); and (e) an unlimited number of Class D limited partnership units (the **Class D Units** and together with the Class A Units, Class B Units and Class C Units, the **Partnership Units**).

32. The Class A Units, Class B Units and Class C Units are intended to provide economic rights and voting rights with respect to the Company (through the Special Voting Shares) that are substantially equivalent to the corresponding rights afforded to holders of Class A Shares, Class B Variable Voting Shares and Class C Fully Voting Shares.

33. Under the A&R Partnership Agreement, the Class A Units, Class B Units and Class C Units are non-transferable except in limited circumstances. Holders of Partnership Units are required to convert their Partnership Units into Company Shares prior to disposition. Following conversion of a Partnership Unit into the corresponding class of Company Share and the disposal of such Company Share, the disposed Company Share will convert, automatically to a Class A Share or Class B Variable Voting Share, without formality or regard to any other consideration, except for the purchaser's status as a Canadian or non-Canadian.

34. The Class A Units, Class B Units and Class C Units are economically identical to each other.

35. Approval of holders of the Partnership Units is required for an action that would affect the economic rights of a Partnership Unit relative to the Class A Shares, Class B Variable Voting Shares or Class C Shares, as applicable.

The Exemption Sought

36. The multi-class capital structure and exchangeable unit structure of the Company and the Partnership were implemented solely to (a) ensure the Company's continued status as controlled by Canadians, (b) provide for certain favourable tax treatment for stockholders of Loral in connection with the Transaction Agreement, and (c) assist PSP Investments with ongoing compliance with its governing legislation. They have no other purpose.

37. The Company and the Partnership are not required to be Canadian-controlled under applicable legislation or regulations. However, the Company and Partnership believe that there are benefits to being Canadian-controlled for regulatory and financing purposes and have entered into contractual arrangements with the Government of Canada that require the Company and the Partnership to be and remain Canadian-controlled.

38. To maintain its status as Canadian, the Company's articles feature a variable voting mechanism by way of the Golden Share and the separation of its shares into classes based on the holder's status as a Canadian or non-Canadian.

39. The Class A Shares will convert mandatorily and automatically and without any further act of the Company or the holder to a Class B Variable Voting Share if transferred to a non-Canadian. If a Canadian acquires a Class B Variable Voting Share, upon delivery of evidence to the Company that it is a Canadian, such Class B Variable Voting Share will convert mandatorily and automatically and without any further act of the Company or the holder to a Class A Share.

40. The Company's articles formally identify the Class A Shares and Class B Variable Voting Shares as separate classes of shares, but economically they represent, in effect, a single class of shares.

41. An investor will not choose whether it acquires a Class A Share or a Class B Variable Voting Share. There are no unique features of either the Class A Shares or the Class B Variable Voting Shares which an existing or potential investor can choose to acquire, exercise or dispose of. The class of Listed Shares ultimately available to an investor will be a function of the investor's non-Canadian status or ability to evidence its Canadian status. If after having acquired a Class A Share an investor's Canadian status changes, the shares will convert accordingly and automatically, without formality or regard to any other consideration.

42. On November 16, 2021, the Company obtained a decision from the Ontario Securities Commission, as principal regulator, that, among other things, an offer to acquire outstanding Class A Shares or Class B Variable Voting Shares, as the case may be, which would constitute a take-over bid under the Legislation as a result of the securities subject to the offer to acquire, together with the offeror's securities, representing in the aggregate 20% or more of the outstanding Class A Shares or Class B Variable Voting Shares, as the case may be, at the date of the offer to acquire, be exempt from the requirements set out in Part 2 of NI 62-104 applicable to take-over bids subject to certain conditions (the "**Company Relief**").

43. Pursuant to section 1.8 of NI 62-104, as at September 30, 2022, the Filer and MHR Group (collectively, the **Filer Group**) are deemed to have beneficial ownership of 18,096,228 Class B Variable Voting Shares, representing approximately 59.3% of the Listed Shares on a fully exchanged and converted basis, and accordingly, the acquisition of Listed Shares by members of the Filer Group would constitute a take-over bid under NI 62-104 to which the requirements applicable to take-over bids in Part 2 of NI 62-104 would apply, subject to the availability of an exemption.

44. As the Listed Shares trade under the same ticker symbol and have mandatory inter-convertibility depending on the holder's Canadian status, members of the Filer Group are unable to determine the number of issued and outstanding Class A Shares or Class B Variable Voting Shares at the time of any potential purchase of Listed Shares. Consequently, the Filer is unable to determine the number of Listed Shares that it is entitled to purchase in reliance on the exemption set out in section 4.1 of NI 62-104 (the **Normal Course Purchase Exemption**).

45. No member of the Filer Group will purchase Company Shares when they have knowledge of any material fact or material change about the Company which has not been generally disclosed.

46. No member of the Filer Group has any current intention of making a take-over bid for all of the issued and outstanding Company Shares, or otherwise acquiring all of the issued and outstanding Company Shares by way of a plan of arrangement or other similar voting transaction.

47. The interests of the Filer Group in being able to acquire Company Shares are not to gain legal control of the Company but instead to preserve their ability to purchase Company Shares, depending on the prices at which the Company Shares are trading.

48. The Non-Canadian Voting Limitation would apply to the Filer Group for so long as they beneficially own or control more than one-third of the sum of (i) the number of votes attached to the Company Shares and the Special Voting Shares then outstanding, and (ii) the Golden Share Canadian Votes. As a result, the Filer Group is not able to gain legal control of the Company under its existing capital structure due to the attribution of the Golden Share.

49. The Company is aware that an application has been submitted for the Exemption Sought and management of the Company supports the Exemption Sought.

Decision

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

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

(a) the Company Relief is still effective and has not been revoked or varied;

(b) the applicable member of the Filer Group has made reasonable inquiries to confirm that the Company Relief is still effective and has not been revoked or varied prior to relying on the Exemption Sought;

(c) there have been no changes to the capital structure of the Company or the Partnership, or the provisions attached to their respective securities from what has been described in this decision, provided the removal of the Super Voting Shares from the Company's authorized share capital will not be considered to be a change to the capital structure of the Company;

(d) the Listed Shares are listed for trading under the same ticker symbol and CUSIP; and

(e) the Filer Group complies with the requirements of section 4.1 of NI 62-104 except that: (i) the bid is for not more than 5% of the outstanding Class A Shares and Class B Variable Voting Shares on a combined basis, as opposed to a per-class basis, and (ii) the aggregate number of Class A Shares and Class B Variable Voting Shares acquired in reliance on this decision by the offeror and any person acting jointly or in concert with the offeror within any period of 12 months, when aggregated with acquisitions otherwise made by the offeror and any person acting jointly or in concert with the offeror within the same 12-month period (other than under a bid that is subject to Part 2 of NI 62-104) does not exceed 5% of the outstanding Class A Shares and Class B Variable Voting Shares on a combined basis, as opposed to a per-class basis, at the beginning of such 12-month period.

"David Mendicino"
Manager, Office of Mergers & Acquisitions
Ontario Securities Commission

B.3.2 Brookfield Renewable Partners L.P. and Brookfield Renewable Corporation

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Multilateral Instrument 61-101 Protection of Minority Security Holders in Special Transactions – partnership creates corporation to provide investors with alternative way to hold its units – corporation issues exchangeable shares whose terms are structured so that each exchangeable share is functionally and economically equivalent to a partnership unit – each exchangeable share provides an equivalent economic return as a partnership unit – both the partnership and the corporation are reporting issuers – the corporation will, from time to time, enter into related party transactions with persons other than the partnership – the partnership may not be party to each of these related party transactions but each such transaction will be treated by the partnership as a related party transaction – the corporation is exempt from related party transaction requirements, subject to conditions, including that the partnership will comply with the related party transaction requirements for each of the corporation's related party transactions as though the partnership entered into such related party transaction directly.

Applicable Legislative Provisions

Multilateral Instrument 61-101 Protection of Minority Security Holders in Special Transactions, Part 5, and s. 9.1.

January 26, 2023

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

AND

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

AND

IN THE MATTER OF
BROOKFIELD RENEWABLE PARTNERS L.P. AND
BROOKFIELD RENEWABLE CORPORATION

DECISION

Background

The principal regulator in the Jurisdiction has received an application from Brookfield Renewable Partners L.P. (**BEP**) and Brookfield Renewable Corporation (**BEPC**, and together with BEP, the **Filers**) for a decision under the securities legislation of the Jurisdiction of the principal regulator (the **Legislation**) that BEPC be exempt from the requirements of Part 5 of Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions* (**MI 61-101**, and the requirements of Part 5 of MI 61-101, the **Related Party Transaction Requirements**) in connection with related party transactions of BEPC entered into with persons other than BEP or subsidiary entities of BEP (the **Exemption Sought**).

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

(a) the Ontario Securities Commission is the principal regulator for this application; and

(b) the Filers have provided notice that subsection 4.7(1) of Multilateral Instrument 11-102 *Passport System* (**MI 11-102**) is intended to be relied upon in Alberta, Manitoba, New Brunswick, Québec and Saskatchewan.

Interpretation

Terms defined in National Instrument 14-101 *Definitions*, MI 11-102 and MI 61-101 have the same meaning if used in this decision, unless otherwise defined.

Representations

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

Relevant Entities

BEP

1. BEP is an exempted limited partnership established, registered and in good standing under the laws of Bermuda. BEP's registered and head office is located at 73 Front Street, 5th Floor, Hamilton HM 12, Bermuda.

2. BEP is a reporting issuer in all of the provinces and territories of Canada and is an SEC issuer within the meaning of section 1.1 of National Instrument 51-102 *Continuous Disclosure Obligations*. BEP is not in default of any requirement of securities legislation in the jurisdictions in which it is a reporting issuer.

3. The authorized capital of BEP consists of: (a) an unlimited number of non-voting limited partnership units (the **BEP Units**); (b) an unlimited number of class A preferred limited partnership units; and (c) an unlimited number of general partnership interests. As of January 22, 2023, there were 275,358,750 BEP Units (642,064,787 BEP Units assuming the exchange of redeemable partnership units of Holding LP and Exchangeable Shares as each such term is defined below), 38,000,000 class A preferred limited partnership units and 3,977,260 general partnership interests issued and outstanding.

4. The BEP Units are listed on the New York Stock Exchange (**NYSE**) and the Toronto Stock Exchange (**TSX**) under the symbols "BEP" and "BEP.UN", respectively.

5. BEP's sole material asset is an approximate 58% limited partnership interest and preferred limited partner interests in Brookfield Renewable Energy L.P. (**Holding LP**), a Bermuda exempted limited partnership established, registered and in good standing under the laws of Bermuda.

6. Each director of the general partner of BEP, other than Sachin Shah, is also a director of BEPC.

7. Brookfield Renewable Partners Limited, a wholly-owned subsidiary of Brookfield Corporation (formerly Brookfield Asset Management Inc.), holds the general partnership interests in BEP.

BEPC

8. BEPC is a corporation existing and in good standing under the *Business Corporations Act* (British Columbia). BEPC's registered office is located at 1500 Royal Centre, 1055 West Georgia Street, P.O. Box 11117, Vancouver, British Columbia, V6E 4N7. BEPC's head office is located at 250 Vesey Street, 15th Floor, New York, New York, 10281, United States of America.

9. BEPC is a reporting issuer in all of the provinces and territories of Canada and is not in default of any requirement of securities legislation in the jurisdictions in which it is a reporting issuer.

10. The authorized share capital of BEPC consists of: (a) an unlimited number of class A exchangeable subordinate voting shares (the **Exchangeable Shares**); (b) an unlimited number of class B multiple voting shares (the **Class B Shares**); (c) an unlimited number of class C non-voting shares (the **Class C Shares**); (d) an unlimited number of class A senior preferred shares (issuable in series); and (e) an unlimited number of class B junior preferred shares (issuable in series). As of January 22, 2023, there were 172,218,098 Exchangeable Shares, 165 Class B Shares, 189,600,000 Class C Shares, zero class A senior preferred shares, and zero class B junior preferred shares issued and outstanding.

11. The Exchangeable Shares are listed on the NYSE and the TSX under the symbol "BEPC".

12. BEPC's principal investments consist of hydroelectric power, wind, solar and energy transition capacity across the United States, Europe, Brazil and Columbia.

13. The board of directors of BEPC consists of each of the directors of the general partner of BEP, other than Sachin Shah, and two additional directors.

14. The only voting securities of BEPC are the Exchangeable Shares and the Class B Shares. Holders of Exchangeable Shares are entitled to one (1) vote per Exchangeable Share held and holders of Class B Shares are entitled to cast, in the aggregate, a number of votes equal to three (3) times the number of votes attached to the Exchangeable Shares. Accordingly, the Exchangeable Shares collectively represent a 25% voting interest in BEPC and the Class B Shares collectively represent a 75% voting interest in BEPC.

15. Neither the Exchangeable Shares nor the Class B Shares carry a residual right to participate in the assets of BEPC upon liquidation or winding-up of BEPC, and accordingly, are not equity securities under the Legislation. The Class C Shares are the only equity securities of BEPC.

16. BEP, indirectly through wholly-owned subsidiaries, owns 100% of the issued and outstanding Class B Shares and 100% of the Class C Shares. Through its ownership of these securities, BEP has a 75% voting interest in BEPC, thereby controlling BEPC and the appointment and removal of directors of BEPC, and is entitled to all of the residual value in BEPC after payment in full of the amount due to holders of Exchangeable Shares and Class B Shares and subject to the prior rights of holders of preferred shares. The Class B Shares and the Class C Shares are not transferable except to BEP or persons controlled by BEP.

Brookfield Corporation

17. Brookfield Corporation is a corporation existing and in good standing under the *Business Corporations Act* (Ontario). Brookfield Corporation's registered and head office is located at Suite 100, Brookfield Place, 181 Bay Street, Toronto, Ontario, M5J 2T3.

18. Brookfield Corporation is a reporting issuer in all of the provinces and territories of Canada and is not in default of any requirement of securities legislation in the jurisdictions in which it is a reporting issuer.

19. The Class A Limited Voting Shares of Brookfield Corporation are listed on the NYSE and the TSX under the symbol "BN".

20. Brookfield Corporation holds an approximate 48% economic interest in BEP on a fully-exchanged basis through its indirect ownership of BEP Units, redeemable partnership units of Holding LP and Exchangeable Shares.

21. Brookfield Corporation indirectly holds a 100% voting interest in BEP through its ownership of the general partner interest of BEP.

22. BEP, Holding LP and certain of their subsidiaries have retained affiliates of Brookfield Corporation to provide management, administrative and advisory services under a master services agreement.

<u>The Exchangeable Shares</u>

23. BEP believes that certain investors in certain jurisdictions may be dissuaded from investing in BEP because of the tax reporting framework that results from investing in units of a Bermuda exempted limited partnership.

24. BEPC was created, in part, to provide investors that would not otherwise invest in BEP with an opportunity to gain access to BEP's portfolio of renewable power assets, and to provide investors with the flexibility to own, through the ownership of an Exchangeable Share, the economic equivalent of a BEP Unit.

25. On July 30, 2020, BEP completed a special distribution of Exchangeable Shares to holders of BEP Units (the **Special Distribution**). Each Exchangeable Share has been structured with the intention of providing an economic return equivalent to a BEP Unit and the rights, privileges, restrictions and conditions attached to each Exchangeable Share (the **Exchangeable Share Provisions**) are such that each Exchangeable Share is, as nearly as practicable, functionally and economically, equivalent to a BEP Unit. In particular:

    (a) each Exchangeable Share is exchangeable at the option of a holder for one (1) BEP Unit (subject to adjustment to reflect certain capital events) or its cash equivalent (the form of payment to be determined at the election of BEPC) (an **Exchange**);

    (b) the Exchangeable Shares are redeemable by BEPC at any time (including following a notice requiring redemption having been given by BEP) for BEP Units on a one-for-one basis (subject to adjustment to reflect certain capital events) (a **Redemption**);

    (c) upon a liquidation, dissolution or winding up of BEPC, holders of Exchangeable Shares will be entitled to receive BEP Units (or its cash equivalent, at BEPC's election) on a one-for-one basis (subject to adjustment to reflect certain capital events) and not any remaining property or assets of BEPC following such payment (a **BEPC Liquidation**);

    (d) upon a liquidation, dissolution or winding up of BEP, including where substantially concurrent with a BEPC Liquidation, all of the Exchangeable Shares will be automatically redeemed for BEP Units (or its cash equivalent, at BEPC's election) on a one-for-one basis (subject to adjustment to reflect certain capital events) (a **BEP Liquidation**); and

    (e) subject to applicable law and in accordance with the Exchangeable Share Provisions, each Exchangeable Share entitles the holder to dividends from BEPC payable at the same time as, and equivalent to, each distribution on a BEP Unit. The Exchangeable Share Provisions also provide that if a distribution is declared on the BEP Units and an equivalent dividend is not declared and paid concurrently on the Exchangeable Shares, then the

undeclared or unpaid amount of such dividend accrues and accumulates and is to be paid upon the first to occur of any of the circumstances contemplated by paragraphs (a) to (d) above, if not yet paid.

26. Upon being notified by BEPC that BEPC has received a request for an Exchange, BEP has an overriding call right to purchase (or have one of its affiliates purchase) all of the Exchangeable Shares that are the subject of the Exchange notice from the holder of Exchangeable Shares for BEP Units (or its cash equivalent, at BEP's election) on a one-for-one basis (subject to adjustment to reflect certain capital events).

27. Upon being notified by BEPC that it intends to conduct a Redemption, BEP has an overriding call right to purchase (or have one of its affiliates purchase) all but not less than all of the then outstanding Exchangeable Shares for BEP Units on a one-for-one basis (subject to adjustment to reflect certain capital events).

28. Upon the occurrence of a BEP Liquidation or BEPC Liquidation, BEP will have an overriding liquidation call right to purchase (or have one of its affiliates purchase) all but not less than all of the then outstanding Exchangeable Shares on the day prior to the effective date of such BEP Liquidation or BEPC Liquidation for BEP Units on a one-for-one basis (subject to adjustment to reflect certain capital events).

29. In connection with the Special Distribution, Brookfield Corporation entered into a rights agreement pursuant to which it agreed that, for the seven-year period beginning on July 30, 2020, Brookfield Corporation will guarantee BEPC's obligation to deliver BEP Units or its cash equivalent in connection with an Exchange.

30. BEP also entered into an equity commitment agreement pursuant to which BEP has covenanted and agreed not to declare or pay any distribution on the BEP Units if on such date BEPC does not have sufficient funds or other assets to enable the declaration and payment of an equivalent dividend on the Exchangeable Shares.

Other BEPC Related Party Transactions

31. On June 22, 2020, in connection with the Special Distribution, the Ontario Securities Commission granted: (i) BEP relief from the Related Party Transaction Requirements in connection with any related party transaction of BEP with BEPC or any of BEPC's subsidiary entities; (ii) BEPC relief from the Related Party Transaction Requirements in connection with any related party transaction of BEPC with BEP or any of BEP's subsidiary entities (the BEPC Related Party Relief); and (iii) BEP relief from the requirements of sections 5.4 and 5.6 of MI 61-101 in connection with any related party transaction of BEP entered into indirectly through Holding LP or any subsidiary entity of Holding LP, if that transaction would qualify for the transaction size exemptions set out in sections 5.5(a) and 5.7(1)(a) of MI 61-101 if the Exchangeable Shares were included in the calculation of BEP's market capitalization.

32. It is anticipated that BEPC will, from time to time, enter into related party transactions with persons other than BEP or subsidiary entities of BEP (**Other BEPC Related Party Transactions**) in respect of which the BEPC Related Party Relief does not apply.

33. BEP may not be a party to each Other BEPC Related Party Transaction entered into. However, every Other BEPC Related Party Transaction will indirectly be a related party transaction for BEP and will be treated by BEP as a related party transaction of BEP.

34. Subject to the availability of an exemption, BEPC would be required to obtain: (i) a formal valuation in respect of the non-cash assets involved in the Other BEPC Related Party Transaction; and (ii) minority approval for the Other BEPC Related Party Transaction from the holders of every class of affected securities of BEPC voting separately as a class, excluding the votes attached to affected securities held by the persons enumerated in section 8.1(2) of MI 61-101.

35. Minority approval is required of every class of affected securities, being equity securities of the issuer. The Exchangeable Shares are not equity securities and thus are not entitled to vote for the purposes of minority approval under MI 61-101. The only equity securities of BEPC are the Class C Shares, all of which are held by BEP. BEP, as an entity for which each Other BEPC Related Party Transaction would also constitute a related party transaction, does not require the protections of MI 61-101.

36. By virtue of the Exchangeable Share Provisions, the economic rights of the holders of BEP Units and Exchangeable Shares will be affected in an identical manner in respect of any related party transaction entered into by either BEP or BEPC. A related party transaction for BEPC is, in effect, a related party transaction for BEP.

37. BEP, as the sole holder of the equity securities of BEPC, will receive any benefit and/or bear any detriment from any Other BEPC Related Party Transaction entered into.

38. BEPC is a controlled subsidiary of BEP and BEP consolidates BEPC and its businesses in BEP's financial statements.

39. A majority of any committee of independent directors of BEP that considers an Other BEPC Related Party Transaction will be comprised of directors who are also directors of BEPC.

40. Investments in Exchangeable Shares are as nearly as practicable, functionally and economically, equivalent to an investment in BEP Units. BEP and BEPC believe that:

    (a) investors of Exchangeable Shares purchase Exchangeable Shares as an alternative way of owning BEP Units rather than a separate and distinct investment; and

    (b) the market price of the Exchangeable Shares is significantly impacted by (i) the combined business performance of BEPC and BEP as a single economic unit, and (ii) the market price of the BEP Units, in a manner that results in the market price of the Exchangeable Shares closely tracking the market price of the BEP Units.

41. BEPC is the entity through which persons who do not wish to hold BEP Units directly may hold their interests in BEP, and BEP is the entity through which holders of Exchangeable Shares and BEP Units hold their interests in the collective operations of BEP and its subsidiaries, including BEPC and its subsidiaries. BEP and BEPC are a single economic entity.

42. BEP will comply with the Related Party Transaction Requirements for each Other BEPC Related Party Transaction as though BEP entered into the Other BEPC Related Party Transaction directly.

43. Other than where BEP or subsidiary entities of BEP are also party to the Other BEPC Related Party Transaction, in which case any formal valuation required to be obtained by BEP under the Related Party Transaction Requirements (including for the Other BEPC Related Party Transaction) will be in respect of BEP and its subsidiary entities (including BEPC and BEPC's subsidiary entities) on a consolidated basis:

    (a) the subject matter of any formal valuation required to be obtained by BEP under the Related Party Transaction Requirements for an Other BEPC Related Party Transaction and the value or range of values of such subject matter would be identical to any formal valuation obtained by BEPC for the same Other BEPC Related Party Transaction; and

    (b) the form and substance of any formal valuation required to be obtained by BEP under the Related Party Transaction Requirements for an Other BEPC Related Party Transaction would be identical, in all material respects, to any formal valuation obtained by BEPC for the same Other BEPC Related Party Transaction.

44. Any and all disclosure documents in connection with an Other BEPC Related Party Transaction, including any formal valuations, information circulars or material change reports, will be filed on the SEDAR profiles of both BEP and BEPC.

45. Holders of Exchangeable Shares who wish to vote at the BEP level may do so by conducting an Exchange of Exchangeable Shares for BEP Units.

Decision

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

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

    (a) all of the equity securities of BEPC are owned, directly or indirectly, by BEP;

    (b) all of the voting securities of BEPC, other than the Exchangeable Shares, are owned, directly or indirectly, by BEP;

    (c) there are no material changes to the Exchangeable Share Provisions, as described above;

    (d) BEP consolidates BEPC and its businesses in BEP's financial statements;

    (e) BEP will comply with the Related Party Transaction Requirements for each Other BEPC Related Party Transaction as though BEP entered into the Other BEPC Related Party Transaction directly;

    (f) other than where BEP or subsidiary entities of BEP are also party to the Other BEPC Related Party Transaction, in which case any formal valuation required to be obtained by BEP under the Related Party Transaction Requirements (including for the Other BEPC Related Party Transaction) will be in respect of BEP and its subsidiary entities (including BEPC and BEPC's subsidiary entities) on a consolidated basis:

        (i) the subject matter of any formal valuation required to be obtained by BEP under the Related Party Transaction Requirements for an Other BEPC Related Party Transaction and the value or range of

values of such subject matter would be identical to any formal valuation obtained by BEPC for the same Other BEPC Related Party Transaction; and

(ii) the form and substance of any formal valuation required to be obtained by BEP under the Related Party Transaction Requirements for an Other BEPC Related Party Transaction would be identical, in all material respects, to any formal valuation obtained by BEPC for the same Other BEPC Related Party Transaction; and

(g) any and all disclosure documents in connection with an Other BEPC Related Party Transaction, including any formal valuations, information circulars or material change reports, are filed on the SEDAR profiles of both BEP and BEPC.

"David Mendicino"
Manager, Office of Mergers & Acquisitions
Ontario Securities Commission

B.3.3 AL Venture, LLC and AngelList Advisors, LLC

Headnote

Prior decisions and Decision granted under CSA Regulatory Sandbox initiative – Filers previously applied for and obtained relief from certain registrant obligations contained in National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations and from the prospectus requirement in the Legislation – Relief granted from certain Client Focused Reforms requirements that came into force on December 31, 2021 – Decision extends the term of the relief granted – Filers operate novel online platform for accredited investors with experience in venture capital and angel investing and start-ups that primarily operate in the technology sector – Relief granted subject to certain terms and conditions set out in the decision – Decision is time-limited to allow the firm to operate in a test environment – Decision may be amended on written notice to the Filers – Decision is based on the unique facts and circumstances of the Filers and is made on a time-limited, test case basis.

Applicable Legislative Provisions

Statutes Cited

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 53, 74 and 144.

Instrument Cited

National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations, ss. 13.2(2)(c)(i) and (iii), 13.2.1, 13.3, 13.16, 14.2(2)(i), (j) and (k), and 15.1, and Division 5.

January 26, 2023

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

AND

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

AND

IN THE MATTER OF
AL VENTURE, LLC
("AngelList")
AND
ANGELLIST ADVISORS, LLC
("ALA," collectively with AngelList, the "Filers")

DECISION

Background

The Filers operate an online platform that offers a number of services to start-up businesses that operate primarily in the technology sector (**Start-ups**), including services to facilitate venture capital and angel investing in Start-ups that meet certain criteria. Each investor on the platform must qualify as an accredited investor (as defined in Canadian securities legislation) (**Accredited Investor**) and must also have prior experience in venture capital and angel investing such that they have an understanding of the risks of investing in Start-ups through the platform.

ALA is currently registered in all Canadian provinces as a restricted dealer. The Filers previously applied for and received exemptive relief from the prospectus requirement in decisions of the Ontario Securities Commission (**OSC**) as principal regulator (the **Prior Prospectus Decisions**) and from certain registrant obligations in decisions of the Director (the **Prior Registration Decisions**) dated March 27, 2017, June 14, 2018, March 26, 2019, March 25, 2021 and September 23, 2021 (together, the **Prior CSA Decisions**) under the securities legislation of the jurisdiction of the principal regulator (the **Legislation**). The Prior CSA Decisions were granted in the context of the CSA Regulatory Sandbox initiative (as defined in paragraph 3(d)) and were made on a time-limited, test case basis, based on the unique facts and circumstances of the Filers. ALA first became registered in Ontario as a restricted dealer on October 24, 2016 and at the same time obtained exemptive relief in Ontario from certain registration obligations.

The Prior CSA Decision dated September 23, 2021 expired on September 30, 2022. Prior to the expiry of the Prior CSA Decision, the Filers applied for exemptive relief in order to enable the continued availability of certain services on their online platform to Canadian investors and to address requirements related to the Client Focused Reforms of the CSA, subject to certain conditions. This decision (the **Decision**) has also been considered in the context of the CSA Regulatory Sandbox initiative and is made on a time-limited, test case basis. This Decision is based on the unique facts and circumstances of the Filers.

Relief from registrant obligations

1. The Filers have applied for exemptive relief pursuant to section 15.1 of National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations* (**NI 31-103**) for ALA from the following:

    (a) the requirement in subparagraph 13.2(2)(c)(i) and (iii) [Know your client] of NI 31-103 that a registrant must take reasonable steps to ensure that it has sufficient information regarding the client's personal circumstances and the client's investment needs and objectives;

    (b) the requirement in section 13.2.1 [Know your product] of NI 31-103 that a registered firm must not make securities available to clients unless the firm has taken reasonable steps to assess the relevant aspects of the securities, including the securities' structure, features, risks, initial and ongoing costs and the impact of those costs, approve the securities to be made available to clients, and monitor the securities for significant changes;

    (c) the requirement in section 13.3 [Suitability Determination] of NI 31-103 that a registrant, before it opens an account for a client, purchases, sells, deposits, exchanges or transfers securities for a client's account, takes any other investment action for a client, makes a recommendation or exercises discretion to take any such action, determine, on a reasonable basis, that the action is suitable for the client, and the action puts the client's interest first;

    (d) the requirement in section 13.16 of NI 31-103 [dispute resolution service] that a registered firm have a certain dispute resolution service provider; and

    (e) the requirement to deliver the disclosure and reporting requirements in paragraphs 14.2(2)(i), (j), and (k) [Relationship Disclosure Information] and Division 5 [Reporting to clients] of Part 14 of NI 31-103 (together with the preceding paragraphs, referred to as the **Registrant Obligations Relief Sought**),

    provided that ALA ensures only Quality Investors (as defined in paragraph 3(i)) access the Restricted Services (as described in paragraph 18).

Prospectus Relief

2. ALA has applied for an exemption from the prospectus requirement in connection with distributions by an SPE (as defined in paragraph 33) or microfunds (as defined in paragraph 3(h)) to Quality Investors who acquire securities of SPEs or microfunds through the platform (as described in this Decision) (the **Prospectus Relief Sought**).

The principal regulator in the Jurisdiction has received an application from the Filers for a decision under the Legislation for the Registrant Obligations Relief Sought and the Prospectus Relief Sought.

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

(a) the OSC (Principal Regulator) is the principal regulator for this application; and

(b) the Filers have provided notice that subsection 4.7(1) of Multilateral Instrument 11-102 *Passport System* (**MI 11-102**) is intended to be relied upon in each of the other provinces of Canada.

Interpretation

3. For the purposes of this Decision:

    (a) **Approved Incubator Program** means an incubator, accelerator, Technology Transfer Office or similar organization that meets all of the following criteria:

        a. has a program for Start-ups and the program has been delivered for at least two years;

        b. receives funding from (A) a federal, state, provincial/territorial, or municipal government or a crown corporation or a government-owned corporation or authority, or (B) an accredited university or college;

        c. has a competitive application process with clear criteria to select Start-ups for the program;

d. reviews the founders and other key individuals involved in the Start-up to ensure they meet the criteria for admission into the program;

e. provides entrepreneurial advice and mentorship support over a reasonable period of time; and

f. in respect of which ALA has received the approval from staff of the securities regulatory authority in the local jurisdiction in which the incubator program is based that the organization qualifies as an "Approved Incubator Program".

(b) **Credible Investor** means an investor that meets one of the following criteria:

a. a Venture Capital Fund that has at least $10 million in assets under management; or

b. an individual investor who has led or participated in at least five investments in a Start-up, of which at least two of those Start-ups have completed a Successful Liquidity or Financing Event; or

c. is an Experienced Founder.

(c) **Crypto-assets** mean cryptocurrencies, digital coins or tokens, and operations to mine the foregoing.

(d) **CSA Regulatory Sandbox** means an initiative of the Canadian Securities Administrators (CSA) to review new and innovative technology-focused or digital business models. The objective of this initiative is to facilitate the ability of those businesses to use innovative products, services and applications, while ensuring appropriate investor protection.

(e) **Eligible Canadian Start-up** means a Start-up that is operating from or doing business in Canada where either a. or b. applies:

a. the start-up is incorporated or organized under the laws of Canada or any jurisdiction of Canada, and (ii) the head office of the start-up is located in Canada; or

b. at least 25% of the consolidated payroll of the Start-up and its subsidiaries is for employees and consultants who reside in Canada.

(f) **Executive Officer** means an individual who is:

a. a chair, vice-chair, or president,

b. a vice-president in charge of a principal business unit, division or function including sales, finance, production, technology or engineering, or

c. performing a policy-making function in respect of the issuer.

(g) **Experienced Founder** means a founder of a Start-up who has:

a. management, product or engineering experience, typically with the title of "director" or equivalent, at a large technology company (500+ plus employees), or

b. co-founded, or served at the vice-president level or above of (in either case, with executive responsibilities), a Start-up that has achieved a Successful Liquidity or Financing Event.

(h) **Microfund** means a fund that invests in a variety of Start-ups identified in each case by the Microfund Lead Investor.

(i) **Quality Investor** means an Accredited Investor who has been determined by ALA's procedures, as described in paragraphs 72 to 75, to have sufficient experience in venture capital and angel investing. For the avoidance of doubt, Quality Investors include Direct Investors who satisfy the requirements described in paragraph 74, subject to the conditions and limitations on access to the Restricted Services described therein.

(j) **Successful Liquidity or Financing Event** means:

a. an initial public offering;

b. an acquisition of all or substantially all the securities or assets of the Start-up; or

c. the completion of a follow-on round or "up round" of venture capital or angel financing for the Start-up involving external investors to the Start-up at that time, at a valuation in excess of the Start-up's previous round of financing or that triggered the automatic conversion of previously issued debt or equity securities. (For example, a Series Seed round to a Series A round.)

(k) **Technology Transfer Office** means an office at a university with an academic research program or at a research institute that is established to handle the intellectual property and licensing rights for faculty and student investors.

(l) **Venture Capital Fund** means:

a. In the United States (**U.S.**), a "venture capital fund" as defined in Rule 203(l)-1 under the Investment Advisers Act of 1940; and

b. In Canada, a venture capital fund that focuses primarily on venture capital or angel investing, and that is a non-individual permitted client.

4. Terms used in this Decision that are defined in the *Securities Act* (Ontario) (the **Act**), National Instrument 14-101 *Definitions* (**NI 14-101**), NI 31-103 and MI 11-102 and not otherwise defined in the Decision, shall have the same meaning as in the Act, NI 14-101, NI 31-103 or MI 11-102 as applicable, unless the context otherwise requires.

Representations

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

The Filers

5. ALA is registered as a restricted dealer in each of the provinces of Canada.

6. ALA is a limited liability company formed under the laws of the state of Delaware. ALA is a subsidiary of AngelList, a limited liability company formed under the laws of the state of Delaware. A minority interest in ALA is held by AngelList EI, LLC (which is wholly-owned by employees of ALA or ALA's affiliates). The head offices of the Filers are in San Francisco, California, United States of America.

7. ALA is an "exempt reporting adviser" in the U.S. ALA relies on an exemption from SEC investment adviser registration requirements under sections 203(l) [venture capital fund adviser exemption] of the Investment Advisers Act of 1940 and related rules. As an exempt reporting adviser, ALA is subject to oversight by the SEC, including the requirement to pay fees to the SEC, to report annually certain information to the SEC and to have policies regarding the dissemination of material, non-public information and anti-fraud measures. ALA is also subject to review by the SEC.

8. The Filers are not registered as broker-dealers with the SEC under U.S. federal securities laws. The Filers rely on a no action letter issued to AngelList LLC and ALA by the SEC dated March 28, 2013 regarding the scope of their permitted activities in the U.S. without registering as broker-dealers in accordance with section 15(b) of the Securities Exchange Act of 1934. The Filers also rely on the no action letter issued to FundersClub Inc. and FundersClub Management LLC by the SEC dated March 26, 2013 with respect to their activities as an exempt reporting adviser. The Filers also rely on section 201(c) of the JOBS Act.

9. EC Securities, LLC, an affiliate of the Filers and doing business as AngelList Securities LLC, is registered as a broker-dealer with the SEC under U.S. federal securities laws.

10. The Filers offer certain of the services (as described below) to issuers and investors in Canada. As these services involve the facilitation of trades in securities of issuers to Quality Investors for the purposes of venture capital and angel investing, ALA is registered as a restricted dealer in each of the provinces of Canada.

11. The Filers are seeking the Prospectus Relief Sought and the Registrant Obligations Relief Sought to allow Quality Investors and issuers resident in the Canadian provinces to access the Restricted Services.

12. Other than with respect to the subject of this Decision, the Filers are not in default of securities legislation in any jurisdiction of Canada. The Filers are in compliance in all material respects with U.S. securities laws. The Filers were in compliance with all of the terms and conditions of the Prior CSA Decision dated September 23, 2021. The Filers understand that the Registrant Obligations Relief Sought and the Prospectus Relief Sought are only in effect from the date of this Decision.

Services

Public Services

13. AngelList operates an online networking website (the **Platform**) that allows start-ups, accelerators, incubators, angel investors and other individuals in the start-up sector (together, the **Participants**) to connect with each other and to raise their profile in the start-up community. The Platform is primarily aimed at technology or technology-enabled Start-ups.

14. Any Participant can post a profile on the Platform that contains general information about itself, including, as applicable, its products or services, and its management team (a **Profile**). A Profile is publicly available to anyone accessing the Platform. A Start-up may also post confidential information and grant access only to certain Participants.

15. After setting up a Profile, a Participant may request a connection by visiting another Participant's profile (the **Connection Services**). AngelList will confirm the relationship between the Participants. A verified connection is required in order for a Participant to send other Participants a message or request an introduction to other Participant's connections.

Restricted Area and Restricted Services

16. The Platform includes a password protected area (the **restricted area**). Participants must apply to enter the restricted area, and ALA only permits Accredited Investors to enter the restricted area.

17. Once Participants have been approved for access to the restricted area, they may further apply to access certain services, which are referred to below as **Restricted Services**. ALA only permits Quality Investors to access the Restricted Services, subject to the limitations applicable to Direct Investors as described in paragraph 74. Based on the Filers' experience in the United States, approximately 30% of U.S. accredited investors that apply to access the Restricted Services meet ALA's Quality Investor standard and are approved to use the Restricted Services.

18. The Restricted Services consist of the following:

    (a) ALA allows both Start-ups and Syndicate Lead Investors (as defined in paragraph 25) the ability to raise money for a specific Start-up by forming a syndicate of investors through the Platform (the **Syndicate Services**).

    (b) ALA allows Microfund Lead Investors (as defined in paragraph 37) the ability to raise money through the Platform for specific funds that invest in a variety of Start-ups identified in each case by the Microfund Lead Investor (the **Microfund Services**).

    (c) ALA provides a transaction update email to Quality Investors. ALA has an algorithm that uses objective criteria to identify Start-ups seeking to raise capital from a syndicate of investors and provides a list of these Start-ups to Quality Investors who request this information.

    (d) ALA offers a program for Quality Investors who, in the case of Canadian investors plan to invest a substantial amount (which is at least USD$600,000) through the Platform, and satisfy such other conditions as ALA may implement from time to time (the **AngelList Private Capital Network**). Under this program, ALA introduces these Quality Investors to Start-ups that do not wish to make it known publicly that they are raising capital through a syndicate.

19. In the U.S., accredited investors who are not Quality Investors may invest in diversified funds created by ALA (referred to as **Platform Funds**) that invest in a wide variety of syndicates on the Platform. ALA does not currently offer Platform Funds or similar funds to investors in Canada.

20. ALA also provides administrative services in respect of certain syndicates and microfunds managed by general partner entities or LLC managers affiliated with the Syndicate Lead Investors and Microfund Lead Investors rather than the Filers.

Services Offered in Canada

21. AngelList makes the Connection Services available to Participants.

22. ALA makes the Syndicate Services available to:

    a. Start-ups and Syndicate Lead Investors, and

    b. Quality Investors,

    subject to certain restrictions set out below.

23. ALA makes the Microfund Services available to:

    a. Microfund Lead Investors, and

    b. Quality Investors,

    subject to certain restrictions set out below.

24. ALA makes the Private Capital Network program available to Quality Investors who qualify as a "permitted client" as defined in section 1.1 of NI 31-103 and excluding Direct Investors.

Syndicate Services

25. Syndicates can be formed by the founder or management of a Start-up itself or by an investor who is investing in a single Start-up, who wishes to make this investment opportunity available to other investors (co-investors) on the same terms and conditions, and who has been reviewed and approved by ALA as described in paragraphs 77 to 86 (a **Syndicate Lead Investor**). Each syndicate only invests in securities of a single Start-up (a **syndicate**).

26. A Start-up or Syndicate Lead Investor requests approval from ALA to establish the syndicate.

27. ALA reviews the request from the Start-up or Syndicate Lead Investor and determines whether to allow the Start-up or Syndicate Lead Investor to form a syndicate. In reviewing a request to form a syndicate, ALA reviews the Start-up for the following features:

    a. Whether the Start-up is a growth-oriented technology or technology-enabled company that has the potential to develop into a large stand-alone business;

    b. Whether the Start-up is focused on a product or service that will provide social, economic or environmental benefits or that is likely to meet a strong market demand; and

    c. Whether, in ALA's opinion, the Start-up is likely to appeal to Quality Investors.

28. ALA will not permit reporting issuers or any public company in any other jurisdiction to form a syndicate on the Platform.

29. If ALA grants approval to form a syndicate, the Start-up or the Syndicate Lead Investor, as applicable, completes and posts an investor note (the **syndicate investor note**) about the syndicate on the restricted area of the Platform. The syndicate investor note contains factual information about the proposed capital raise, the Start-up to be invested in, any co-investors, the risks associated with investing in the Start-up, past financing of the Start-up, and other key investment terms and conditions. In respect of any existing material conflicts of interest, and material conflicts of interest that are reasonably foreseeable, that the Syndicate Lead Investor might have, ALA will ensure that investors are provided with disclosure of each such conflict including a description of (i) the nature and extent of the conflict of interest, (ii) the potential impact on and risk that the conflict of interest could pose to the investor and (iii) how the conflict of interest has been, or will be addressed.

30. Interested Quality Investors may conduct due diligence on the Syndicate Lead Investor and/or the Start-up. Quality Investors use their own judgment whether to invest in a syndicate.

31. Neither ALA nor the Syndicate Lead Investor nor the Start-up:

    a. provide specific recommendations or advice to particular Quality Investors about the suitability of an investment in a Start-up through an SPE; or

    b. recommend or solicit any particular purchase or sale by a Quality Investor of an SPE's securities.

32. Interested Quality Investors may submit non-binding requests for additional information through the Platform to either the Start-up or Syndicate Lead Investor about the Start-up that is being syndicated.

33. If there is sufficient interest to proceed with closing a syndicate investment, ALA establishes a special purpose entity (**SPE**) to accept the funds from committed investors and to acquire the Start-up's securities. The SPE formed to invest in the Start-up is required under U.S. securities law to have 99 or fewer investors (which may be increased to 250 in certain circumstances). For tax or other reasons certain investors may be aggregated into a parallel SPE. If used, a parallel SPE will otherwise invest on identical terms and conditions to the main SPE.

34. ALA conducts a review of each Start-up's constating documents and Closing Documents (as defined in paragraph 52) to ensure they are consistent with the information in the Profile and the syndicate investor note, the results of any background reviews and any accompanying materials or information provided to it by an investor, the Syndicate Lead

Investor and/or the Start-up and determines if the Closing Documents are complete, consistent and not misleading. If it appears to ALA that the Closing Documents are incomplete, inconsistent or misleading, ALA will require the Closing Documents to be corrected, made complete, or clarified.

35. For their role in a syndicate, ALA and the Syndicate Lead Investor will only receive as compensation a portion of the increase in value, if any, of the investment as calculated at the termination of the investment in the SPE (the **Syndicate Carried Interest**), and will not receive any transaction-based compensation. None of the Filers, the Syndicate Lead Investor, nor any of their officers or directors receive any other form of commission or transaction-based compensation related to the Restricted Services, including the Syndicate Services.

36. In general, each syndicate has a common general partner or LLC manager that is supported in carrying out its duties by the Syndicate Lead Investor. In certain cases, the general partner or LLC manager is affiliated with the Syndicate Lead Investor rather than the Filers. The Syndicate Lead Investor contributes to the Start-up in a similar manner to that of early-stage Canadian venture capital funds. This generally includes direct involvement in the appointment of managers by using the Syndicate Lead Investor's network of contacts to source, recruit, vet and provide references for members of senior management of the Start-up, as well as key members of the Start-up's product development, business development or technology teams. The Syndicate Lead Investor also represents the syndicate in material management decisions affecting the Start-up that require the input of the Start-up's principal investors. At the early stage material decisions of this nature generally include whether to support financings, uses of capital and any material business decisions, and in later stages decisions requiring investor consent are usually formalized in protective contractual provisions.

Microfund Services

37. Microfunds can be formed by an investor who intends to invest in a portfolio of Start-ups over a specified period and who wishes to make those investment opportunities available to other investors (co-investors) on the same terms and conditions, and who has been reviewed and approved by ALA as described in paragraphs 77 to 86 (a **Microfund Lead Investor**).

38. A Microfund Lead Investor requests approval from ALA to establish the microfund.

39. ALA reviews the request from the Microfund Lead Investor and determines whether to allow the Microfund Lead Investor to form a microfund. In reviewing a request to form a microfund, ALA reviews the Microfund Lead Investor and the proposed microfund for all of the following features:

    a. The Microfund Lead Investor has been reviewed and approved by ALA as described in paragraphs 77 to 86;

    b. The Microfund Lead Investor is a Credible Investor;

    c. The Microfund Lead Investor is investing his or her own money in or alongside the microfund;

    d. That any existing material conflicts of interest and material conflicts of interest that are reasonably foreseeable that the Microfund Lead Investor might have in relation to the microfund are addressed in the best interest of the Quality Investor and that the disclosure of each such conflict to be provided to Quality Investors describe (i) the nature and extent of the conflict of interest, (ii) the potential impact on and risk that the conflict of interest could pose to the Quality Investor and (iii) how the conflict of interest has been, or will be addressed;

    e. The investment thesis for the microfund; and

    f. Whether, in ALA's opinion, the microfund is likely to appeal to Quality Investors.

40. Microfunds can invest in any technology Start-up identified by the Microfund Lead Investor that in the opinion of ALA is consistent with the microfund's investment thesis. The Filers have other policies and operational limitations that result in restrictions on certain types of investments being made by microfunds.

41. If ALA grants approval to form a microfund, the Microfund Lead Investor completes and posts an investor note (the **microfund investor note**) about the microfund on the restricted area of the Platform. The microfund investor note contains factual information about the Microfund Lead Investor's background, the microfund's investment thesis, the expected investment period and average deal size to be made in a start-up by the microfund. In respect of any existing material conflicts of interest, and material conflicts of interest that are reasonably foreseeable, that the Microfund Lead Investor might have in relation to the microfund, ALA will ensure that investors are provided with disclosure of each such conflict including a description of (i) the nature and extent of the conflict of interest, (ii) the potential impact on and risk that the conflict of interest could pose to the investor and (iii) how the conflict of interest has been, or will be addressed.

42. Interested Quality Investors may conduct due diligence on the Microfund Lead Investor. Quality Investors use their own judgment as to whether to invest in a microfund.

43. Neither ALA nor the Microfund Lead Investor nor any Start-up:

    a. recommends to, or advises Quality Investors about the suitability of, an investment in a microfund; or

    b. recommends or solicits any particular purchase or sale by a Quality Investor of a microfund's securities.

44. Interested Quality Investors may submit requests for additional information through the Platform to the Microfund Lead Investor about the microfund.

45. If there is sufficient interest to proceed with closing a microfund, ALA establishes a limited partnership or limited liability company (**LLC**) to accept the subscription funds from committed investors, and investors are issued limited partnership or LLC interests of the microfund in exchange for those funds. Subscription funds are deposited with one or more U.S. banks referenced in paragraphs 55 and 56. For tax or other reasons, certain investors may be aggregated into a parallel limited partnership or LLC. If used, a parallel limited partnership or LLC will otherwise invest on identical terms and conditions to the main limited partnership or LLC.

46. When the Microfund Lead Investor wants to make an investment from the microfund into a specific Start-up, the Microfund Lead Investor informs ALA. ALA will verify that the investment conforms with the investment thesis. ALA will also (i) take reasonable steps to identify existing material conflicts of interest, and material conflicts of interest that are reasonably foreseeable, between the Microfund Lead Investor and the investors. ALA will address all material conflicts of interest between (i) an investor and itself and (ii) an investor and the Microfund Lead Investor in the best interest of the investor. ALA will ensure that all required documents, including conflicts of interest disclosure, relating to the investment are provided to investors. Once ALA approves the investment, the U.S. banks referred to in paragraphs 55 and 56 will wire the required funds to the Start-up.

47. For their role in a microfund, ALA and the Microfund Lead Investor will only receive as compensation (i) a portion of the increase in value, if any, of the investment as calculated at the termination of the investment in the microfund (the **Microfund Carried Interest**) and (ii) in the case of certain Microfunds, a management fee (from 1 – 3%), payable to ALA and/or the Microfund Lead Investor. None of the Filers, the Microfund Lead Investor, nor any of their officers or directors receive any other form of commission or transaction-based compensation related to the Microfund Services.

48. In general, each microfund has a common general partner or LLC manager that is supported in carrying out its duties by the Microfund Lead Investor. In certain cases, the general partner or LLC manager is affiliated with the Microfund Lead Investor rather than the Filers. The Microfund Lead Investor contributes to the Start-ups that receive microfund investments in a similar manner to that of early-stage Canadian venture capital funds. This generally includes direct involvement in the appointment of managers by using the Microfund Lead Investor's network of contacts to source, recruit, vet and provide references for members of senior management of the Start-up, as well as key members of the Start-up's product development, business development or technology teams. The Microfund Lead Investor also represents the microfund in material management decisions affecting the Start-up that require the input of the Start-up's principal investors. At the early stage material decisions of this nature generally include whether to support financings, uses of capital and any material business decisions, and in later stages decisions requiring investor consent are usually formalized in protective contractual provisions.

Procedures Common to Syndicates and Microfunds

49. ALA has engaged an affiliated consulting and fund administration firm (the **SPE/Microfund Manager**) to provide administrative services in relation to the SPEs and microfunds on terms no less favorable than those available from an arms' length firm. On behalf of ALA, the SPE/Microfund Manager handles the formation and organization of each SPE and microfund, certain closing procedures for the investments, securities filings, ongoing administration, and winding up the SPE or microfund where applicable.

50. The first time a Quality Investor invests with a syndicate or microfund, prior to closing of that syndicate or microfund, the Quality Investor is asked to confirm his or her interest in investing in Start-ups generally, and to acknowledge a series of risk warnings including warnings as to risk of total loss of the investment, illiquidity of the securities and dilution risk, and the need for the Quality Investor to conduct his or her own due diligence on the Start-up or microfund, as applicable. Detailed risk warning acknowledgements are not obtained from Quality Investors on subsequent investments; however, certain risks are acknowledged upon each Quality Investor's acceptance of the provisions of the Closing Documents.

51. For each syndicate or microfund, prior to closing that syndicate or microfund, the Quality Investor is also asked to reconfirm his or her accredited investor status. If a Quality Investor indicates that his or her status has changed such that he or she is no longer an accredited investor, the investor is not permitted to invest with the syndicate or microfund and

is not permitted to access the restricted area of the Platform. Quality Investors electronically agree to and sign the SPE or microfund Closing Documents on the Platform and are provided with wire instructions for their investment amounts.

52. After a Quality Investor commits to making an investment with a syndicate or microfund, the Quality Investor receives the following:

    a. in the case of a syndicate, the SPE's operating or limited partnership agreement, the SPE's private placement memorandum, the subscription or purchase agreement for the purchase of securities of the SPE, an investor statement (which is a screen confirming how much the Quality Investor invested in the SPE and the corresponding investment by the SPE in the Start-up as of the specific date), a signature certificate (which is a screen showing the investor that documents have been digitally signed and a digital fingerprint provided for security reasons) and the syndicate investor note; or

    b. in the case of a microfund, the microfund's operating, limited partnership or LLC agreement (as applicable), the microfund's private placement memorandum, the subscription or purchase agreement for the purchase of securities of the microfund, an investor statement (which is a screen confirming how much the Quality Investor invested in the microfund), a signature certificate (which is a screen showing the investor that documents have been digitally signed and a digital fingerprint provided for security reasons) and the microfund investor note.

    The documents referred to above are the Closing Documents. The SPE/Microfund Manager will retain the Closing Documents for eight years.

53. Either the Filers or SPE/Microfund Manager will deliver electronically to the securities regulatory authority of each jurisdiction of Canada where a distribution occurs, any of the documents that constitute an offering memorandum (as defined under the Legislation). In the case of a syndicate, the Filers will inform the Start-up that the Start-up must deliver electronically to the securities regulatory authority of each jurisdiction of Canada where a distribution occurs a copy of any document that constitutes an offering memorandum (as defined under the Legislation) that has not already been delivered.

54. Prior to closing a syndicate or microfund, ALA uses a third-party service (such as Persona) to verify the identity of each Quality Investor. ALA also runs anti-money laundering and terrorist financing checks. The verification process and anti-money laundering and terrorist financing checks are performed on both individual and non-individual Quality Investors (entities). For non-individual Quality Investors, the Filers contact the investor by email to determine the identity of the individual principal(s) of the Quality Investor. AML and terrorist financing checks are performed through a politically exposed person (PEP) list and/or Office of Foreign Assets Control (OFAC) list search. Similar verification processes and checks will be performed for Canadian investors.

55. Neither the Filers nor the SPE nor the microfund holds, handles or controls any investor or Start-up funds. The funds are held by and deposited in one or more trust accounts established by one or more FDIC-member U.S. banks in the name of the bank for the benefit of investors investing through the Platform or, depending on the size of the syndicate or microfund and other considerations, a separate account in the name of the bank for the benefit of investors in the particular fund. The Filers do not intermingle their own monies in these accounts.

56. Once all expected funds have been received by the bank, the bank notifies ALA. ALA then issues advice to the bank to initiate funds transfer to the Start-up or, in the case of microfunds, ALA issues advice to the bank to initiate funds transfer to a Start-up when the applicable investment has been approved.

57. All Quality Investors in a syndicate are notified electronically that the investment by the SPE in the Start-up is finalized and to provide them with a copy of the final Closing Documents. Investors in microfunds are notified electronically from time to time that investments have been made by the microfund.

58. The Filers will utilize the same banks and procedures for investments in Eligible Canadian Start-ups completed on the Platform. Although the Platform will largely support only transactions denominated in U.S. dollars, the Filers plan to support transactions in Canadian dollars and utilize Canadian banking services as required for transactions in Canadian dollars.

59. Quality Investors have access to an individual account on the Platform where they may view information about the transaction and access copies of the Closing Documents. The Closing Documents will be retained and made available to Quality Investors through the Platform for at least eight years.

60. ALA requires that each investor in a syndicate or microfund pay a portion of the costs associated with the closing of the syndicate or microfund investment (such as legal fees) in proportion to the investor's investment.

61. Neither the syndicate nor the SPE or microfund, as applicable, borrows funds from investors or the public for any reason. The syndicate, the SPE or microfund, as applicable, and the Filers do not loan money or extend margin to investors that wish to invest in a Start-up as part of a syndicate or microfund.

62. The Filers do not facilitate any secondary trading of previously issued securities, whether originally issued to the members of a syndicate, the investors in a microfund or otherwise.

Private Capital Network Program

63. ALA is involved with a number of syndicates in which the Start-up does not wish to disclose publicly that it is seeking funding (the **Private Syndicates**).

64. These Private Syndicates are only made available to Quality Investors who:

    a. in the case of Canadian investors, intend to invest a substantial amount, which will be specified by ALA from time to time (but in any event at least USD$600,000), in syndicates through the Platform;

    b. in the case of Canadian investors, invest a substantial average amount to be specified by ALA from time to time (but in any event will be, on average, at least USD$50,000 per month) in syndicates;

    c. sign a non-disclosure agreement with ALA; and

    d. are able to make investment decisions in a timely manner.

65. ALA has automated functionality that matches certain Private Syndicates with the Quality Investor's selected objective criteria, based on filters that the Quality Investor selected when the Quality Investor signed up for the Private Capital Network program.

66. ALA provides the list of Private Syndicates to the Quality Investor.

67. The Quality Investor conducts his or her own due diligence on the Start-up or the Private Syndicate.

68. The Quality Investor will make his or her own decision as to which Private Syndicate to invest in. The same investment procedures that are used for a typical syndicate also apply to a Private Syndicate.

69. There are no fees for participating in the Private Capital Network program.

Participants

Investors

70. When opening an account with AngelList to seek ALA's approval for Quality Investor status, each investor provides the Filers with the category of accredited investor the investor meets, which for Canadian investors will correspond to the definition of accredited investor in Canadian securities legislation. In addition, the Filers request that each investor provides the following information when opening an account:

    a. The amount the investor has budgeted for investing in Start-ups on the Platform;

    b. The investor's net worth band (e.g., > $1 million, > $2 million, > $5 million, with currency being denominated in U.S. dollars). For Canadian investors, bands are denominated in Canadian dollars;

    c. The proportion of the investor's net worth that the investor's budget for investing in Start-ups represents; and

    d. The investor's experience in investing in Start-ups or working for or with private equity firms and venture capital firms and the investor's connection to other investors and Start-ups on the Platform.

    The above-listed information, to the extent provided by an investor, is retained on the Platform by the Filers for eight years.

71. In addition to providing the information in paragraph 70, each investor acknowledges the following risks associated with investing in Start-ups generally when signing up to access the Connection Services and Restricted Services:

    a. Risk of loss of an investor's entire investment in a Start-up;

    b. Illiquidity risk;

c. No due diligence of a Start-up is conducted by the Filers;

d. Dilution risk;

e. Risk of change in the Start-up's plans, markets and products; and

f. No recommendation or advice is provided by the Filers to the investor.

In addition:

g. Prior to making an investment, the investor must acknowledge that he or she will receive limited or no initial or ongoing information about the investment; and

h. In respect of any existing material conflicts of interest, and material conflicts of interest that are reasonably foreseeable, that the Syndicate Lead Investor or the Microfund Lead Investor (as applicable) might have, ALA will ensure that the investors are provided with disclosure of each such conflict including a description of (i) the nature and extent of the conflict of interest, (ii) the potential impact on and risk that the conflict of interest could pose to the investor and (iii) how the conflict of interest has been, or will be addressed. Conflicts of interest that must be disclosed to ALA and to potential Quality Investors (including Direct Investors) include whether the Syndicate Lead Investor or Microfund Lead Investor invested in a previous round of financing by the Start-up or a prospective portfolio company of the microfund, is an employee or officer of the Start-up or a prospective portfolio company of the microfund, or has family members working at the Start-up or a prospective portfolio company of the microfund, and any other circumstances judged by ALA to constitute existing material conflicts of interest, and material conflicts of interest that are reasonably foreseeable.

The above-listed information is retained on the Platform or by ALA for eight years.

72. To determine if an investor is a Quality Investor, ALA manually conducts an assessment of each investor's experience and knowledge with respect to venture capital and angel investing based upon available information about the investor, which may include the following information:

a. The investor's previous venture capital and angel investments and the size of those investments (as declared by the investor or otherwise known to ALA);

b. The investor's connections to other founders and investors (as reflected on his or her profile on the Platform or other websites), and ALA's assessment of those founders and investors; and

c. ALA's judgement about an investor's previous venture capital and angel investing experience with other top investors and the investor's reputation.

73. If, based on ALA's assessment, an investor does not have sufficient experience and knowledge with respect to venture capital and angel investing, ALA will not approve the investor as a Quality Investor. In order to access the Restricted Services an investor (other than a Direct Investor) must first be approved as a Quality Investor.

74. Syndicate Lead Investors and Microfund Lead Investors may allow certain investors (**Direct Investors)** who ALA has not yet approved as Quality Investors to access and invest in such Syndicate Lead Investor's and Microfund Lead Investor's investments provided that:

a. the Syndicate Lead Investor or Microfund Lead Investor, as applicable, acknowledges that:

(1) the Syndicate Lead Investor or Microfund Lead Investor, as applicable, has a substantive pre-existing relationship with such Direct Investor sufficient to understand the Direct Investor's knowledge and experience in investing with venture capital and angel investing;

(2) the Syndicate Lead Investor or Microfund Lead Investor, as applicable, believes, in good faith, that such Direct Investor is a Quality Investor; and

b. such Direct Investor provides ALA with the category of accredited investor the Direct Investor meets, which for Canadian investors will correspond to the definition of accredited investor in Canadian securities legislation, prior to making an investment on the Platform.

A Direct Investor may not access through the Restricted Services investments of any Syndicate Lead Investor or Microfund Lead Investor other than the one that directly invited them to the Platform until such Direct Investor requests access to the Restricted Services (following the process for investors who are not Direct Investors) and is approved by ALA as a Quality Investor. ALA will periodically review Direct Investors who subsequently apply for access to the

Restricted Services to assess whether the Syndicate Lead Investor or Microfund Lead Investor, as the case may be, is inviting Direct Investors who are Quality Investors. ALA is not delegating or relying on the lead investor to ensure that the Direct Investor has sufficient experience in venture capital and angel investing and remains responsible for ensuring Direct Investors are Quality Investors. If it comes to ALA's attention that, contrary to the acknowledgement, a Syndicate Lead Investor or a Microfund Lead Investor is allowing Direct Investors who are not Quality Investors to access and invest in such Syndicate Lead Investor's and Microfund Lead Investor's investments, ALA will take actions to address the violation.

75. ALA may, in lieu of manual reviews described in Paragraph 72, elect to use computer algorithms to programmatically rank investors based on the information provided by the investor and approve as Quality Investors only investors that achieve a minimum ranking as established by ALA from time to time.

76. In Canada, Accredited Investors that are not Quality Investors will not be permitted to invest as part of a syndicate or microfund through the Platform and will not be permitted access to the Restricted Services.

Lead Investors

77. Only Accredited Investors can apply to be Syndicate Lead Investors or Microfund Lead Investors. ALA retains the right and full discretion to determine whether a person may act as a Syndicate Lead Investor or Microfund Lead Investor. ALA's processes currently include requiring each Syndicate Lead Investor or Microfund Lead Investor to complete a due diligence form which includes questions to (i) allow ALA to determine each Syndicate Lead Investor or Microfund Lead Investor's U.S. securities accreditation status and (ii) conclude on each Syndicate Lead Investor or Microfund Lead Investor's ability to raise capital and prior experience raising capital. ALA's operations team also calls each prospective Syndicate Lead Investor or Microfund Lead Investor to further inquire about their prior experience, track record, and also to assess their potential capabilities to lead a syndicate or microfund (as applicable).

78. ALA reviews a potential Syndicate Lead Investor or Microfund Lead Investor for previous experience related to venture capital and angel investing by reviewing the Syndicate Lead Investor's or Microfund Lead Investor's activity on relevant social media and other websites (such as Crunchbase and Google), if such information is available. If a Syndicate Lead Investor or Microfund Lead Investor does not have social media presence to review, ALA will assess the information personally known to ALA staff and obtained through conversations with the Syndicate Lead Investor or Microfund Lead Investor, as the case may be, and with other sources.

79. ALA also reviews references provided by each Syndicate Lead Investor or Microfund Lead Investor related to his or her prior Start-up investments.

80. In addition to the qualifications outlined in paragraphs 78 and 79, Microfund Lead Investors must: (i) invest their own money into or alongside the microfund and (ii) must clearly disclose any conflicts of interest they might have to the microfund and clearly articulate what part of their deal flow will go through the microfund. Each Microfund Lead Investor must also be determined by ALA to be a Credible Investor.

81. ALA requires each Microfund Lead Investor to (i) take reasonable steps to identify existing material conflicts of interest, and material conflicts of interest that are reasonably foreseeable, between the Microfund Lead Investor and the investor and (ii) promptly report that conflict of interest to ALA. Each Microfund Lead Investor must address all material conflicts of interest between an investor and the Microfund Lead Investor in the best interest of the investor.

82. ALA requires each Syndicate Lead Investor to (i) take reasonable steps to identify existing material conflicts of interest, and material conflicts of interest that are reasonably foreseeable, between the Syndicate Lead Investor and the investor and (ii) promptly report that conflict of interest to ALA. Each Syndicate Lead Investor must address all material conflicts of interest between an investor and the Syndicate Lead Investor in the best interest of the investor.

83. In the case of syndicates, if ALA is not satisfied that a Syndicate Lead Investor has sufficient knowledge and experience related to Start-up and/or venture capital investing, ALA will also consider whether there is a Credible Investor involved in the syndicate and who is investing on the same terms and conditions as the investors in the syndicate.

84. Where ALA approves a Syndicate Lead Investor to form a syndicate or a Microfund Lead Investor to form a microfund, ALA requires each Syndicate Lead Investor or Microfund Lead Investor, as applicable, to sign an agreement with ALA. For so long as the Syndicate Lead Investor has an interest in the Start-up that the Syndicate Lead Investor has syndicated or the Microfund Lead Investor has an interest in the microfund, this agreement requires, among other things, the Syndicate Lead Investor or Microfund Lead Investor:

    a. to assist ALA and the SPE/Microfund Manager as necessary to allow ALA and the SPE/Microfund Manager to comply with applicable regulatory requirements pertaining to the syndicate or the microfund and the syndicate's or microfunds' investment in the Start-up,

b. to provide ALA with information about the Start-ups invested in by the syndicate or microfund as required by ALA or the SPE/Microfund Manager to service the syndicate or the microfund, and

c. to provide ALA with written notice of certain events, including subsequent investment in the Start-up by the Syndicate Lead Investor or Microfund Lead Investor, sale or transfer of the Syndicate Lead Investor's or Microfund Lead Investor's securities in the Start-up, and how the Syndicate Lead Investor or Microfund Lead Investor has voted.

In the event the Syndicate Lead Investor or Microfund Lead Investor, as applicable, fails to comply with the agreement, ALA will take action for the breach, including terminating its agreement with a Syndicate Lead Investor or a Microfund Lead Investor where there is a material violation of the conditions of this Decision.

85. A Syndicate Lead Investor invests either directly with the Start-up or alongside other investors in the syndicate on the same terms and conditions as the investors in the syndicate. A Microfund Lead Investor invests directly in the microfund or alongside the microfund on the same terms and conditions as the investors in the microfund.

86. Prior to the closing of the syndicate or the microfund, ALA conducts a background check on the Syndicate Lead Investor or Microfund Lead Investor as applicable (through a third party service provider), including criminal record, securities regulatory, AML, terrorist financing, and economic and political sanctions watch-lists. In addition, similar background checks are conducted annually on Syndicate Lead Investors and Microfund Lead Investors. ALA conducts and maintains third-party background checks on the individuals at ALA who act as officers and directors of the SPE.

Start-ups

87. ALA conducts background reviews on the Start-up that a syndicate invests in and each founder (which generally includes the president or chief executive officer) of such Start-up before the close of a syndicate.

88. ALA conducts these background reviews on the Start-up that a syndicate invests in and such Start-up's founders by utilizing internet search engines and other online resources for evidence of: criminal record, securities regulatory, AML terrorist financing, and economic and political sanctions watch-lists. ALA's processes currently include conducting background checks on the Start-up and founders on a yearly basis. For each Start-up, ALA conducts due diligence in respect of each Start-up's registration status and general background checks, including a check of (1) the disciplined list which is posted on the CSA website and (2) a Canada bankruptcy search. These are performed at least once every 12 months. For each Start-up's founder, ALA conducts due diligence in respect of each founder's registration status (as applicable) and general background checks, including a check of (1) the disciplined list which is posted on the CSA website and (2) a Canada bankruptcy search. ALA has implemented compliance monitoring, controls and escalation processes to ensure the quality execution of such diligence processes. As applicable, ALA's operations team will flag background checks for escalation to ALA's compliance team to review. ALA reviews each escalation and takes appropriate action based on their additional review. On a monthly basis, ALA's compliance team also completes a quality assurance check of the background check process to ensure proper execution.

89. The Microfund Lead Investor performs due diligence on each Start-up and its founders in which the microfund invests.

90. ALA does not permit a syndicate to close, if any of the Start-up, its president or chief executive officer has pled guilty to or has been found guilty of an offence related to or has entered into a settlement agreement in a matter that involved fraud or securities violations or if the Start-up is bankrupt.

Additional Requirements

91. Canadian investors will only be permitted to invest in a Start-up that seeks to raise capital through a syndicate and in microfunds in one of the following circumstances:

a. Permitted Clients. Canadian investors who qualify as permitted clients (as defined in section 1.1 of NI 31-103) and who waive the requirement for ALA to conduct a suitability assessment, in accordance with section 13.3.1 of NI 31-103, may (i) invest in any syndicate on the Platform, (ii) invest in any microfund on the Platform and (iii) participate in the Private Capital Network program.

b. The Start-up, or the Start-ups in a particular microfund, is participating in or within the past 24 months has successfully completed an Approved Incubator Program. Canadian Quality Investors may invest in (i) syndicates in which the Start-up is an Eligible Canadian Start-up that is participating in or has successfully completed an Approved Incubator Program, or (ii) microfunds that only invest in Eligible Canadian Start-ups that are participating in or have successfully completed an Approved Incubator Program.

c. Other syndicates or microfunds – Subject to limits on the number of Canadian Quality Investors. Over the period commencing on March 27, 2017 and ending on the expiry of the Decision up to a maximum of 2,500 Canadian Quality Investors may invest with one or more syndicates or microfunds that meet one of the following criteria.

(1) For Syndicates:

a. The founder of the Start-up is an Experienced Founder.

b. Either the Syndicate Lead Investor of the syndicate or at least one investor in the Start-up that the syndicate is investing in, other than the Syndicate Lead Investor, is a Credible Investor, and the syndicate is investing in the Start-up on the same terms and conditions as the Credible Investor.

c. The Start-up has, within the previous three years, received funding from a federal, state, provincial or territorial government program that supports small business or Start-ups as part of its mandate, such as Business Development Bank of Canada, BDC Capital, the Investment Accelerator Fund, Ontario Centre of Innovation (OCI) (previously known as Ontario Centres of Excellence (OCE)) – Market Readiness Program, the Federal Economic Development Agency for Southern Ontario and Investissement Québec.

(2) For microfunds: The Microfund Lead Investor is a Credible Investor and invests in or alongside the microfund on the same terms as the other microfund investors.

Decision

The Principal Regulator is satisfied that the Decision meets the tests 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 Prospectus Relief Sought is granted, provided that all of the following conditions are met:

1. The Filers have their head office or principal place of business in the U.S. or Canada.

2. The Filers are in compliance with the no action letter relating to broker-dealer registration issued to them by the SEC dated March 28, 2013 and the no action letter has not been modified or revoked.

3. ALA is an exempt reporting adviser in the U.S.

4. The Filers ensure that securities are only distributed to investors in Canada in accordance with the terms, conditions, restrictions and requirements applicable to the accredited investor exemption as set out in Canadian securities legislation, except the requirements in subsections 2.3(6) and (7) of National Instrument 45-106 *Prospectus Exemptions* (**NI 45-106**) to obtain and retain a signed risk acknowledgement in the prescribed form.

5. For each distribution by an SPE or microfund made in reliance on this Decision, either ALA, or the SPE/Microfund Manager on behalf of ALA, will file a completed Form 45-106F1 Report of Exempt Distribution (Form 45-106F1) in each jurisdiction of Canada where the distribution takes place within 10 days of the date of the distribution and will reference the accredited investor exemption as set out in section 2.3 of NI 45-106 as the “Exemption relied on” in Schedule 1 of Form 45-106F1.

6. For each distribution by an SPE or microfund made in reliance on this Decision, if an offering memorandum (as defined under the Legislation) is provided by the SPE to investors resident in a jurisdiction of Canada, either ALA or the SPE/Microfund Manager will deliver to the securities regulatory authority of each jurisdiction of Canada where the distribution occurs, a copy of the offering memorandum, or any amendment to a previously delivered offering memorandum, within 10 days of the date of the distribution.

7. For each distribution by an SPE or microfund made in reliance on this Decision, if an offering memorandum (as defined under the Legislation) is provided by the SPE or microfund to investors resident in a jurisdiction of Canada, ALA will ensure that the SPE or microfund provides to investors resident in a jurisdiction of Canada a contractual right of action against the SPE or microfund for rescission or damages that:

a. Is available to an investor who purchases a security offered by the offering memorandum during the period of distribution, if the offering memorandum contains a misrepresentation, without regard to whether the purchaser relied on the misrepresentation

b. Is enforceable by the investor delivering notice to the SPE or microfund:

i. In the case of an action for rescission, within 180 days after the date of the transaction that gave rise to the cause of action, or

ii. In the case of an action for damages, before the earlier of

(A) 180 days after the investor first had knowledge of the facts giving rise to the cause of action, or

(B) three years after the date of the transaction that gave rise to the cause of action

c. Is subject to the defence that the investor had knowledge of the misrepresentation

d. In the case of an action for damages, provides that the amount recoverable

i. must not exceed the price at which the security was offered, and

ii. does not include all or any part of the damages that the SPE or microfund proves does not represent the depreciation in value of the security resulting from the misrepresentation, and

e. Is in addition to, and does not detract from, any other right of the purchaser.

8. The first trade in securities distributed in reliance on this Decision will be deemed to be a distribution that is subject to section 2.5 of National Instrument 45-102 Resale of Securities.

9. The Filers ensure that

a. the accredited investor status of each investor is verified when the investor first signs up to the Platform and verified again when the investor makes any investment through the Platform,

b. prior to closing of the first syndicate or microfund in which an investor invests, the investor acknowledges the risks as described above in paragraph 50, and

c. upon signing up to access the Restricted Services, the investor acknowledges the risks as described above in paragraph 71.

10. The Filers limit access to the Restricted Services to Quality Investors, subject to the limitations applicable to Direct Investors described in paragraph 74.

11. The Filers will immediately remove an investor from being able to access the Restricted Services if it knows or suspects that the investor is not an accredited investor (as defined in section 73.3(1) of the Act and NI 45-106).

12. The Filers ensure that Canadian investors invest in syndicates or microfunds through the Platform in accordance with paragraph 91.

13. The Approved Incubator Programs are NEXT Canada (previously known as The Next 36), Creative Destruction Lab, York Entrepreneurship Development Institute's (YEDI) Incubator Track, Ontario Centre of Innovation (OCI) (previously known as Ontario Centres of Excellence (OCE)) – Market Readiness Program, Launch Academy, UTEST and any other Approved Incubator Program from time to time.

14. ALA notifies the Principal Regulator in writing at least 10 business days prior to any material change in either Filers' business operations or business model, including any material addition to or material modification to the Restricted Services.

15. The Filers notify the Principal Regulator promptly in writing of any regulatory action, criminal charges, or material civil actions initiated after the date of this Decision in respect of the Filers or any specified affiliate (as defined in Form 33-109F6 Firm Registration) of the Filers.

16. This Decision will expire on January 31, 2026.

"Michael Balter"
Manager, Corporate Finance
Ontario Securities Commission

The further decision of the Principal Regulator is that the Registrant Obligations Relief Sought is hereby granted, provided that all of the following conditions are met:

1. The Filers comply with the terms and conditions of the Decision with respect to the Prospectus Relief Sought.

2. Unless otherwise exempted by a further decision of the Principal Regulator, ALA complies with all of the terms, conditions, restrictions and requirements applicable to a registered dealer and to a registered individual under Canadian securities laws, including the Act and NI 31-103, and any other terms, conditions, restrictions or requirements imposed by a securities regulatory authority or regulator on ALA.

3. The Filers will deal fairly, honestly and in good faith with Participants.

4. The Filers, any representatives of the Filers, any Syndicate Lead Investors, any Microfund Lead Investors and any Start-ups do not provide recommendations or advice to any investor or prospective investor on the Platform.

5. The Filers ensure Syndicate Lead Investors of a syndicate invest in the Start-up on the same terms and conditions as the syndicate, and that the Microfund Lead Investors of a microfund invest in or alongside the microfund on the same terms and conditions as investors in the microfund.

6. The Filers ensure that any Start-up that raises capital in Canada through the Platform is not an investment fund and not a reporting issuer.

7. Neither ALA nor any Syndicate Lead Investor nor any Microfund Lead Investor will solicit investors, aside from the Restricted Services of the Platform itself.

8. Neither the Filers nor the SPE nor the microfund holds, handles or controls any investor or Start-up funds.

9. Neither Filers permit any secondary trading of previously issued securities to take place on the Platform.

10. The only compensation that ALA, the Syndicate Lead Investor or the Microfund Lead Investor receive for their role in a syndicate or microfund is (i) Syndicate Carried Interest or Microfund Carried Interest as applicable, and (ii) in the case of certain microfunds, a maximum 1%-3% management fee payable to the Microfund Lead Investor and/or ALA, and such compensation is disclosed to investors. None of the Filers, the Syndicate Lead Investor, the Microfund Lead Investor nor any of their officers or directors receive any other form of commission or transaction-based compensation related to the Restricted Services, including the Syndicate Services or the Microfund Services.

11. ALA complies with the requirements of section 13.4 of NI 31-103, as amended from time to time. ALA will disclose any conflicts of interest as described in paragraph 71.h to investors in the syndicate or microfund.

12. The Filers will immediately remove a Start-up from the Platform, and the posting of any syndicate in relation to such Start-up, and will prevent any microfund from investing in a Start-up if:

    a. Either Filer makes a good faith determination that the business of the Start-up may not be conducted with integrity because of the past or current conduct of the Start-up or of the Start-up's directors, executive officers or promoters; and

    b. Either Filer becomes aware that the Start-up is not complying with applicable securities legislation.

13. The Filers will not permit Canadian Quality Investors to invest in microfunds that have been formed to invest primarily in crypto-assets.

14. The Filers will immediately remove any Participant from the Platform or prohibit any person or company from accessing the restricted area of the Platform at the request of the Principal Regulator.

15. In addition to any other reporting required by law, including Form 45-106F1 Report of Exempt Distribution, the Filers provide the following information to the Principal Regulator within 30 days of the end of June and December:

    a. For syndicates:

        - The name of each Start-up that has raised capital in Canada through a syndicate on the Platform, and
        - the name of the associated SPE(s).

b. For microfunds:

- The number of microfunds established in the quarter in Canada and the name of the associated SPE(s),
- The number of microfunds that deployed cash in Canada in the quarter and the amount invested in Start-ups in total,
- A list of those microfunds that invested solely in Eligible Canadian Start-ups and the names of the Approved Incubator Programs each Start-up participated in, and
- The total number of Canadian investors who invested in microfunds in the quarter (pursuant to this Decision).

c. The number of Canadian Accredited Investors that applied during the quarter to be approved as Quality Investors and the number who were approved by ALA as Quality Investors.

16. The Filers will provide such other information as the Principal Regulator may reasonably request from time to time.

17. This Decision will expire on January 31, 2026.

18. This Decision may be amended by the Principal Regulator from time to time upon prior written notice to the Filers.

"Debra Foubert"
Director, Compliance and Registrant Regulation
Ontario Securities Commission

OSC File # 2022/0364

B.3.4 True Exposure Investments, Inc. and TruX Exogenous Risk Pool

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – relief granted under subsection 62(5) of the Securities Act to permit an extension of a prospectus lapse date by 45-days in order to facilitate the incorporation of audited annual financial statements in the filing of the renewal prospectus documents so as to not incur the costs associated with a review of the unaudited interim financial statements – no conditions.

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., s. 62(5).

January 13, 2023

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

AND

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

AND

IN THE MATTER OF
TRUE EXPOSURE INVESTMENTS, INC.
(the Filer)

AND

IN THE MATTER OF
TRUX EXOGENOUS RISK POOL
(the Pool)

DECISION

Background

The principal regulator in the Jurisdiction has received an application from the Filer on behalf of the Pool for a decision under the securities legislation of the Jurisdiction (the **Legislation**) that extends the time limits for the renewal of the simplified prospectus and fund facts of the Pool to those time limits that would apply if the lapse date was February 28, 2023 (the **Exemption Sought**).

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

(a) the Ontario Securities Commission is the principal regulator for this application; and

(b) the Filer has provided notice that section 4.7(1) of Multilateral Instrument 11-102 *PassportSystem* (**MI 11-102**) is intended to be relied upon in each of the other provinces and territories of Canada (together with Ontario, the **Jurisdictions**).

Interpretation

Terms defined in National Instrument 14-101 *Definitions*, MI 11-102, and National Instrument 81-102 *Investment Funds* (**NI 81-102**) have the same meaning if used in this decision, unless otherwise defined.

Representations

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

1. The Filer is a corporation incorporated under the federal laws of Canada and has its head office in Toronto, Ontario.

2. The Filer is registered as an investment fund manager in the Provinces of Ontario, Quebec and Newfoundland and Labrador.

3. The Filer is the investment fund manager of the Pool.

4. Neither the Pool nor the Filer are in default of the securities legislation in any Jurisdiction.

5. The Pool is an open-ended mutual fund trust governed by a declaration of trust under the laws of the Province of Ontario. The Pool is a reporting issuer under the securities legislation of each of the Jurisdictions and is governed by the provisions of NI 81-102.

6. Securities of the Pool are currently distributed pursuant to a simplified prospectus and fund facts documents dated January 14, 2022, as amended from time to time (the **Current Disclosure Documents**). Accordingly, the lapse date is January 14, 2023. The Current Disclosure Documents represent the initial offering of securities of the Pool.

7. There have been no material changes in the affairs of the Pool since the filing of the Current Disclosure Documents, other than as described in the amendments to such documents dated February 22, 2022, March 30, 2022, May 25, 2022, and July 7, 2022. Accordingly, the Current Disclosure Documents represent current information regarding the Pool.

8. In order to be deemed to remain continuously qualified to distribute its securities in the Jurisdictions, the Pool is:

   a. Required by sections 62(2)(a) and 62(2)(b) of the *Securities Act* (Ontario) (the **OSA**) and sections 2.5(4)(a) and 2.5(4)(b) of National Instrument 81-101 *Mutual Fund Prospectus Disclosure* (**NI 81-101**) to file a pro forma version of a renewal prospectus by no later than December 15, 2022, and a final version of a renewal prospectus by no later than January 24, 2023; and

   b. Required by sections 62(2)(c) of the OSA and 2.5(4)(c) of NI 81-101 to receive a receipt for the final version of the renewal prospectus by no later than February 3, 2023.

   The Pool filed its pro forma renewal simplified prospectus and fund facts documents on December 14, 2022.

9. The financial year end of the Pool is December 31. Semi-annual financial statements and an interim management report of fund performance (**MRFP**) for the Pool (collectively, the **Interim Financial Reports**) were prepared as of June 30, 2022 and filed in accordance with regulatory requirements. As permitted by section 2.12 of National Instrument 81-106 *Investment Fund Continuous Disclosure*, the Interim Financial Reports were not reviewed by the Pool's auditor.

10. The Filer expects the audited annual financial statements and annual MRFP of the Pool to be ready for filing in the first week of February, 2023.

11. The consent of the Pool's auditor is required to file a final simplified prospectus for the Pool. This consent must also cover documents incorporated by reference into the simplified prospectus, which includes the most recent annual financial statements and MRFP of the Pool and any interim financial statements and interim MRFP filed since the annual financial statements and MRFP were filed. The auditor cannot consent to the inclusion of a financial report that has not been audited or reviewed. The Filer submits that the Exemption Sought would permit a more efficient use of the Pool's resources.

12. Form 81-101F3 requires that the MER of the Pool be that included on the last set of financial reports. The Filer submits that including the MER from the more recent annual financial reporting would represent the better disclosure.

13. Given the disclosure obligations of the Pool, should a material change in the affairs of the Pool occur, the simplified prospectus and fund facts documents of the Pool will be amended as required under the Legislation.

14. The Exemption Sought will not affect the accuracy of the information contained in the simplified prospectus and fund facts documents of the Pool and will therefore not be prejudicial to the public interest.

Decision

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

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

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

Application File #: 2023/0006

This page intentionally left blank

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
Opawica Explorations Inc.	January 5, 2023	January 24, 2023
HAVN Life Sciences Inc.	January 6, 2023	January 30, 2023

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

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

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	
Sproutly Canada, Inc.	June 30, 2022	
Gatos Silver, Inc.	July 7, 2022	
iMining Technologies Inc.	September 30, 2022	
PNG Copper Inc.	November 30, 2022	
Luxxfolio Holdings Inc.	January 5, 2023	

This page intentionally left blank

B.7
Insider Reporting

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).

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).

B.9
IPOs, New Issues and Secondary Financings

INVESTMENT FUNDS

Issuer Name:
Fidelity Global Growth Private Pool
Principal Regulator – Ontario
Type and Date:
Preliminary Simplified Prospectus dated Jan 26, 2023
NP 11-202 Preliminary Receipt dated Jan 26, 2023
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #3484288

Issuer Name:
AGF Global Opportunities Bond ETF
AGF Global Sustainable Growth Equity ETF
AGFiQ Canadian Equity ETF
AGFiQ Emerging Markets Equity ETF
AGFiQ Global ESG Factors ETF
AGFiQ Global Infrastructure ETF
AGFiQ Global Multi-Sector Bond ETF
AGFiQ International Equity ETF
AGFiQ US Equity ETF
AGFiQ US Market Neutral Anti-Beta CAD-Hedged ETF
Principal Regulator – Ontario
Type and Date:
Final Long Form Prospectus dated Jan 27, 2023
NP 11-202 Final Receipt dated Jan 30, 2023
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #3474340

Issuer Name:
IA Clarington Global Dividend Fund
Principal Regulator – Quebec
Type and Date:
Final Simplified Prospectus dated Jan 23, 2023
NP 11-202 Final Receipt dated Jan 26, 2023
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #3471618

Issuer Name:
Oak Hill NexPoint Global Merger Arbitrage Fund
Oak Hill NexPoint Global Merger Arbitrage Plus Fund
Principal Regulator – Ontario
Type and Date:
Preliminary Simplified Prospectus dated Jan 16, 2023
NP 11-202 Preliminary Receipt date Jan 24, 2023
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #3480626

Issuer Name:
IPC High Interest Savings Fund
Principal Regulator – Ontario
Type and Date:
Final Simplified Prospectus dated Jan 24, 2023
NP 11-202 Final Receipt dated Jan 25, 2023
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #3472047

Issuer Name:
IA Clarington Inhance Global Small Cap SRI Fund
Principal Regulator – Quebec
Type and Date
Securities Description:
Series I Units
Series F Units
Series E Units
Series F6 Units
Series E6 Units
Series A Units
Series T6 Units
Project #
Type and Date:
Final Simplified Prospectus dated Jan 23, 2023
NP 11-202 Final Receipt dated Jan 26, 2023
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #3459997

Issuer Name:
IG Graduation Portfolio
IG Target Education 2030 Portfolio
IG Target Education 2035 Portfolio
IG Target Education 2040 Portfolio
Principal Regulator – Manitoba
Type and Date:
Final Simplified Prospectus dated Jan 23, 2023
NP 11-202 Final Receipt dated Jan 24, 2023
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #3469508

Issuer Name:
CI Global Equity Income Private Pool Class
Principal Regulator - Ontario
Type and Date:
Amendment #1 to Final Simplified Prospectus dated January 24, 2023
NP 11-202 Final Receipt dated Jan 27, 2023
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #3388546

Issuer Name:
Invesco 1-5 Year Laddered All Government Bond Index ETF
Invesco 1-10 Year Laddered Investment Grade Corporate Bond Index ETF
Invesco Canadian Preferred Share Index ETF
Invesco FTSE RAFI Canadian Small-Mid Index ETF
Invesco FTSE RAFI Global+ Index ETF
Invesco LadderRite U.S. 0-5 Year Corporate Bond Index ETF
Invesco S&P 500 High Dividend Low Volatility Index ETF
Invesco S&P 500 Momentum Index ETF
Invesco S&P Emerging Markets Low Volatility Index ETF
Invesco S&P Global ex. Canada High Dividend Low Volatility Index ETF
Invesco S&P International Developed Low Volatility Index ETF
Invesco S&P/TSX REIT Income Index ETF
Invesco Senior Loan Index ETF
Invesco Global Shareholder Yield ETF
Principal Regulator - Ontario
Type and Date:
Amendment #1 to Final Long Form Prospectus dated January 24, 2023
NP 11-202 Final Receipt dated Jan 26, 2023
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #3457441

Issuer Name:
CI Tech Giants Covered Call ETF
Principal Regulator - Ontario
Type and Date:
Amendment #2 to Final Long Form Prospectus dated January 18, 2023
NP 11-202 Final Receipt dated Jan 24, 2023
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #3348045

Issuer Name:
Invesco Allocation Fund
Principal Regulator - Ontario
Type and Date:
Amendment #3 to Final Simplified Prospectus dated January 24, 2023
NP 11-202 Final Receipt dated Jan 26, 2023
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #3398826

Issuer Name:
Evolve Enhanced FANGMA Index ETF
Principal Regulator - Ontario
Type and Date:
Amendment #2 to Final Long Form Prospectus dated January 24, 2023
NP 11-202 Final Receipt dated Jan 26, 2023
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #3329705

Issuer Name:
Russell Investments Global Smaller Companies Pool
Russell Investments Global Smaller Companies Class
Principal Regulator - Ontario
Type and Date:
Amendment #3 to Final Simplified Prospectus dated January 23, 2023
NP 11-202 Final Receipt dated Jan 25, 2023
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #3445615

Issuer Name:
Canadian Scholarship Trust CST Advantage Plan
Canadian Scholarship Trust Family Savings Plan
Canadian Scholarship Trust Individual Savings Plan
Principal Regulator - Ontario
Type and Date:
Final Long Form Prospectus dated January 24, 2023
NP 11-202 Receipt dated January 27, 2023
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #3458171

Issuer Name:
Canadian Scholarship Trust Family Savings Plan
Canadian Scholarship Trust Individual Savings Plan
Canadian Scholarship Trust CST Advantage Plan
Principal Regulator - Ontario
Type and Date:
Final Long Form Prospectus dated January 24, 2023
NP 11-202 Receipt dated January 27, 2023
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #3458175

Issuer Name:
Canadian Scholarship Trust Individual Savings Plan
Canadian Scholarship Trust CST Advantage Plan
Canadian Scholarship Trust Family Savings Plan
Principal Regulator - Ontario
Type and Date:
Final Long Form Prospectus dated January 24, 2023
NP 11-202 Receipt dated January 27, 2023
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #3458176

Issuer Name:
MRF 2023 Resource Limited Partnership
Principal Regulator - Ontario
Type and Date:
Final Long Form Prospectus dated January 26, 2023
NP 11-202 Receipt dated January 30, 2023
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #3474368

NON-INVESTMENT FUNDS

Issuer Name:
BYND Cannasoft Enterprises Inc.
Principal Regulator - British Columbia
Type and Date:
Preliminary Shelf Prospectus dated January 26, 2023
NP 11-202 Preliminary Receipt dated January 27, 2023
Offering Price and Description:
$30,000,000.00
Common Shares, Preferred Shares, Warrants, Subscription Receipts, Units, Debt Securities
Underwriter(s) or Distributor(s):
-
Promoter(s):
Marcel (Moti) Maram
Avner Tal
Yftah Ben Yaackov
Project #3485096

Issuer Name:
enCore Energy Corp.
Principal Regulator - British Columbia
Type and Date:
Preliminary Short Form Prospectus dated January 24, 2023
NP 11-202 Preliminary Receipt dated January 24, 2023
Offering Price and Description:
$[*]
[*] Units
Price: $[*] per Unit
Underwriter(s) or Distributor(s):
CANACCORD GENUITY CORP.
CANTOR FITZGERALD CANADA CORPORATION
HAYWOOD SECURITIES INC.
Promoter(s):
-
Project #3482986

Issuer Name:
enCore Energy Corp.
Principal Regulator - British Columbia
Type and Date:
Amendment dated January 25, 2023 to Preliminary Short Form Prospectus dated January 24, 2023
NP 11-202 Preliminary Receipt dated January 25, 2023
Offering Price and Description:
$30,000,750.00 - 9,231,000 Units
Price: $3.25 per Unit
Underwriter(s) or Distributor(s):
CANACCORD GENUITY CORP.
CANTOR FITZGERALD CANADA CORPORATION
HAYWOOD SECURITIES INC.
Promoter(s):
-
Project #3482986

Issuer Name:
enCore Energy Corp.
Principal Regulator - British Columbia
Type and Date:
Preliminary Short Form Prospectus dated January 25, 2023
NP 11-202 Preliminary Receipt dated January 26, 2023
Offering Price and Description:
23,277,000 SR Units issuable upon conversion of 23,277,000 Subscription Receipts
Underwriter(s) or Distributor(s):
CANACCORD GENUITY CORP.
HAYWOOD SECURITIES INC.
CANTOR FITZGERALD CANADA CORPORATION
PI FINANCIAL CORP.
CLARUS SECURITIES INC.
RED CLOUD SECURITIES INC.
Promoter(s):
-
Project #3483957

Issuer Name:
Global Atomic Corporation
Principal Regulator - Ontario
Type and Date:
Preliminary Short Form Prospectus dated January 24, 2023
NP 11-202 Preliminary Receipt dated January 24, 2023
Offering Price and Description:
$● ● Units
Price: $[●] per Unit
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #3482959

Issuer Name:
Global Atomic Corporation
Principal Regulator - Ontario
Type and Date:
Amendment dated January 25, 2023 to Preliminary Short Form Prospectus dated January 24, 2023
NP 11-202 Preliminary Receipt dated January 26, 2023
Offering Price and Description:
$100,000,005.00 - 28,571,430 Units
Price: $3.50 per Unit
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #3482959

Issuer Name:
GoGold Resources Inc.
Principal Regulator - Nova Scotia
Type and Date:
Preliminary Short Form Prospectus dated January 27, 2023
NP 11-202 Preliminary Receipt dated January 27, 2023
Offering Price and Description:
C$65,025,000.00
28,900,000 Common Shares
Price: C$2.25 per Offered Share
Underwriter(s) or Distributor(s):
BMO NESBITT BURNS INC.
DESJARDINS SECURITIES INC.
PI FINANCIAL CORP.
ECHELON WEALTH PARTNERS INC.
EIGHT CAPITAL
SPROTT CAPITAL PARTNERS LP by its general partner, SPROTT CAPITAL PARTNERS GP INC.
Promoter(s):
-
Project #3482773

Issuer Name:
MAG Silver Corp.
Principal Regulator - British Columbia
Type and Date:
Preliminary Short Form Prospectus dated January 25, 2023
NP 11-202 Preliminary Receipt dated January 25, 2023
Offering Price and Description:
US$[●]
[●] Common Shares
Price: US$[●] per Offered Share
Underwriter(s) or Distributor(s):
BMO NESBITT BURNS INC.
RAYMOND JAMES LTD.
Promoter(s):
-
Project #3483758

Issuer Name:
MAG Silver Corp.
Principal Regulator - British Columbia
Type and Date:
Amendment dated January 26, 2023 to Preliminary Short Form Prospectus dated January 25, 2023
NP 11-202 Preliminary Receipt dated January 26, 2023
Offering Price and Description:
US$40,067,750 - 2,735,000 Common Shares
Price: US$14.65 per Offered Share
Underwriter(s) or Distributor(s):
BMO NESBITT BURNS INC.
RAYMOND JAMES LTD.
Promoter(s):
-
Project #3483758

Issuer Name:
Paycore Minerals Inc. (formerly "Aardvark Capital Corp.")
Principal Regulator - Ontario
Type and Date:
Preliminary Short Form Prospectus dated January 25, 2023
NP 11-202 Preliminary Receipt dated January 25, 2023
Offering Price and Description:
$16,006,600.00 - 9,820,000 Common Shares
Underwriter(s) or Distributor(s):
PI FINANCIAL CORP.
CIBC CAPITAL MARKETS INC.
CANACCORD GENUITY CORP.
PARADIGM CAPITAL INC.
Promoter(s):
-
Project #3481864

Issuer Name:
Cascade Copper Corp.
Principal Regulator - British Columbia
Type and Date:
Final Long Form Prospectus dated January 17, 2023
NP 11-202 Receipt dated January 26, 2023
Offering Price and Description:
10,000,000 UNITS AT A PRICE OF $0.10 PER UNIT
Underwriter(s) or Distributor(s):
Leede Jones Gable Inc.
Promoter(s):
Jeffrey S. Ackert
Project #3448433

B.10
Registrations

B.10.1 Registrants

Type	Company	Category of Registration	Effective Date
New Registration	Gestion Plant-E Management (12723255 Canada Inc.)	Investment Fund Manager and Exempt Market Dealer	January 27, 2023
Name Change	From: Sagard EMD Inc. To: Sagard Holdings Manager (Canada) Inc.	Exempt Market Dealer	November 23, 2022

This page intentionally left blank

B.12
Other Information

B.12.1 Consents

B.12.1.1 SponsorsOne Inc. – s. 21(b) of Ont. Reg. 398/21 under the OBCA

Headnote

Consent given to an offering corporation under the Business Corporations Act (Ontario) to continue under the Business Corporations Act (British Columbia).

Statutes Cited

Business Corporations Act, R.S.O. 1990, c.B.16, as am., s. 181.
Securities Act, R.S.O. 1990, c. S.5, as am.

Regulations Cited

Regulation made under the Business Corporations Act, Ont. Reg. 398/21, as am., s. 21(b).

IN THE MATTER OF
ONTARIO REGULATION 398/21,
AS AMENDED
(the "Regulation")

MADE UNDER
THE BUSINESS CORPORATIONS ACT (ONTARIO)
R.S.O. 1990, c. B.16,
AS AMENDED
(the "OBCA")

AND

IN THE MATTER OF
SPONSORSONE INC.

CONSENT
(Subsection 21(b) of the Regulation)

UPON the application of SponsorsOne Inc. (the "**Applicant**") to the Ontario Securities Commission (the "**Commission**") requesting the consent of the Commission, pursuant to subsection 21(b) of the Regulation, for the Applicant to continue into the Province of British Columbia pursuant to Section 181 of the OBCA;

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

AND UPON the Applicant having represented to the Commission that:

1. The Applicant was formed by articles of incorporation under the OBCA under the laws of the Province of Ontario on March 8, 1965 as "Superior Copper Mines Limited".

2. The Applicant's name was changed from "Superior Copper Mines Limited" to "Mountainview Explorations Inc." pursuant to articles of amendment dated March 6, 1979.

3. The Applicant's name was changed from "Mountainview Explorations Inc." to "Banro Capital Group Inc." pursuant to articles of amendment dated March 3, 1988.

4. The Applicant's name was changed from "Banro Capital Group Inc." to "International Infopet Systems Ltd." pursuant to articles of amendment dated May 9, 1989.

5. The Applicant's name was changed from "International Infopet Systems Ltd." to "New International Infopet Systems Ltd." pursuant to articles of amendment dated February 26, 1997.

6. The Applicant's name was changed from "New International Infopet Systems Ltd." to "SponsorsOne Inc." pursuant to articles of amendment dated January 8, 2014.

7. The Applicant is not extra provincially registered in any other jurisdiction in Canada.

8. The head office and registered office of the Applicant is located at 2 Campbell Drive, Suite 307C Uxbridge ON L9P 1H6. The head office of the Applicant will not be relocated as a result of the Continuance (as defined below).

9. The Applicant is authorized to issue an unlimited number of common shares (the "Common Shares"), of which 1,993,742,722 Common Shares are issued and outstanding as of the date hereof.

10. The Common Shares of the Applicant are listed and posted for trading on the Canadian Securities Exchange under the symbol "SPO", the Frankfurt Stock Exchange under the symbol "5SO" and the OTC Markets under the symbol "SPONF".

11. The Applicant intends to apply (the "**Application for Continuance**") to the Director under the OBCA for authorization to continue under *The Business Corporations Act* (British Columbia) (the "**BCBCA**") pursuant to section 181 of the OBCA (the "**Continuance**").

12. The principal reason for the Continuance is to allow the Applicant to move its corporate records to British Columbia, as the majority of the Applicant's business is on the west coast, which will facilitate dealings with the California subsidiary in the same time zone. In addition, the BCBCA provides management with greater flexibility for implementing a stock consolidation in conjunction with its plans to uplist its stock onto a larger stock exchange.

13. Pursuant to subsection 21(b) of the Regulation, where an applicant corporation is an "offering corporation" (as defined in the OBCA), the Application for Continuance must be accompanied by a consent from the Commission.

14. The Applicant is an "offering corporation" under the OBCA and is a reporting issuer under *The Securities Act* (British Columbia) (the "**Act**"). The Applicant is also a reporting issuer or its equivalent under the securities legislation of the provinces of Alberta and Ontario. The principal regulator of the Applicant is Ontario.

15. The Applicant is not in default under any provision of the OBCA or the Act, or any of the regulations or rules made thereunder, and is not in default under the securities legislation of any other jurisdiction in which it is a reporting issuer.

16. The Applicant is not a party to any proceeding or, to the best of its knowledge, information and belief, pending proceeding under the OBCA or under the Act.

17. An annual and special meeting of the shareholders of the Applicant was held on March 29, 2021 (the "**Meeting**") to consider a special resolution in connection with the Continuance (the "**Continuance Resolution**"). The Continuance Resolution required the approval of not less than two-thirds of the aggregate votes cast by the shareholders present in person or by proxy at the Meeting, and was approved by 99.681% of the shareholders present in person or by proxy at the Meeting.

18. The management information circular of the Applicant dated February 26, 2021 (the "**Circular**"), which was provided to all securityholders of the Applicant in connection with the Meeting, described the proposed Continuance and disclosed the reasons for it and its implications and advised the shareholders of their dissent rights in connection with the Continuance Resolution pursuant to section 185 of the OBCA, including a summary comparison of the differences between the OBCA and the BCBCA. The Circular was mailed to securityholders of record at the close of business on March 5, 2021 and was filed on SEDAR on March 8, 2021. No dissent rights were exercised by any shareholders of the Applicant in connection with the Continuance.

19. The material rights, duties and obligations of a corporation governed by the BCBCA are substantially similar to those of a corporation governed by OBCA.

AND UPON the Commission being satisfied that to do so would not be prejudicial to the public interest;

THE COMMISSION HEREBY CONSENTS to the continuance of the Applicant as a corporation under the BCBCA.

DATED at Toronto, Ontario this 27th day of January, 2023.

"Marie-France Bourret"
Manager, Corporate Finance
Ontario Securities Commission

OSC File #: 2022/0558

Index