

The Ontario Securities Commission

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# A. Capital Markets Tribunal

## A.2 Other Notices

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### A.2.1 Bridging Finance Inc. et al.

**FOR IMMEDIATE RELEASE**  
May 10, 2023

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

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

A copy of the Reasons for Decision dated May 9, 2023 is available at [capitalmarketstribunal.ca](https://capitalmarketstribunal.ca).

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### A.2.2 Miller Bernstein LLP

**FOR IMMEDIATE RELEASE**  
May 11, 2023

**MILLER BERNSTEIN LLP,  
File No. 2023-2**

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

A copy of the Reasons for Decision dated May 10, 2023 is available at [capitalmarketstribunal.ca](https://capitalmarketstribunal.ca).

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A.2.3 Bridging Finance Inc. et al.

**FOR IMMEDIATE RELEASE**  
**May 15, 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 May 15, 2023 is available at [capitalmarketstribunal.ca](https://capitalmarketstribunal.ca).

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## A.3 Orders

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### A.3.1 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

May 15, 2023

### ORDER

**WHEREAS** the Capital Markets Tribunal held a hearing in writing to consider a motion brought by David Sharpe and Natasha Sharpe (the **Sharpes**) to have specified summonses issued in support of their stay motions to be heard on May 23 and 26, 2023;

**ON READING** the submissions of the representatives for each of the Sharpes and Staff of the Ontario Securities Commission;

**IT IS ORDERED**, for reasons to follow, that the motion is dismissed.

“Russell Juriansz”

“Timothy Moseley”

“Sandra Blake”

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# A.4

## Reasons and Decisions

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### A.4.1 Bridging Finance Inc. et al.

**Citation:** *Bridging Finance Inc (Re)*, 2023 ONCMT 17

**Date:** 2023-05-09

**File No.** 2022-9

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

**REASONS FOR DECISION**

<b>Adjudicators:</b>	Sandra Blake (chair of the panel) Timothy Moseley	
<b>Hearing:</b>	By videoconference, April 14, 2023	
<b>Appearances:</b>	Johanna Braden Mark Bailey Adam Gotfried Nicole Fung Erin Pleet Melissa MacKewn Brian Greenspan Alexandra Grishanova Lawrence E. Thacker Jonathan Chen Jonathan Wansbrough	For Staff of the Ontario Securities Commission    For the receiver of Bridging Finance Inc. For David Sharpe  For Natasha Sharpe For Andrew Mushore

**REASONS FOR DECISION**

### 1. OVERVIEW

- [1] On April 14, 2023, the parties to this enforcement proceeding attended a hearing to address scheduling two motions brought by Staff, in which Staff seeks:
- a. from David Sharpe and Natasha Sharpe (the **Sharpes**), further summaries of witnesses' anticipated evidence; and
  - b. dismissal of the Sharpes' motions to stay this proceeding against them.
- [2] Following the hearing, we issued an order, for reasons to follow, providing that:
- a. Staff's motion for further witness summaries from the Sharpes will be heard orally on May 23 and 26, 2023, with a schedule set for the exchange of materials in advance of that hearing;
  - b. Staff's motion to dismiss the Sharpes' stay motions shall be treated as having been withdrawn; and
  - c. the Sharpes' motions to stay this proceeding against them will proceed on May 23 as previously scheduled and, if required, on May 26, with a schedule set for the exchange of materials before that hearing.

- [3] In making that order, we:
- a. accepted Staff's submission that the Sharpes' application for judicial review of an earlier decision in this proceeding ought not to delay the progress of this proceeding, including Staff's motion for further witness summaries;
  - b. accepted the individual respondents' submissions that the motion for further witness summaries should be heard orally rather than in writing; and
  - c. accepted Staff's submission that any efficiencies that would be achieved by hearing Staff's motion to dismiss the Sharpes' stay motions are dwindling because the date for the hearing of the stay motions is approaching.

## 2. BACKGROUND

- [4] On April 30, 2021, the Ontario Securities Commission ordered<sup>1</sup> that trading cease in securities of nine entities related to Bridging Finance Inc., a respondent in this proceeding. That same day, the Commission obtained an order from the Superior Court of Justice, appointing a receiver over the various Bridging entities. Staff's court application record included material that Staff obtained during its investigation using powers of compulsion pursuant to an order issued under s. 11 of the *Securities Act*.<sup>2</sup>
- [5] This Tribunal has, several times, extended the cease trade portion of the Commission's April 30 order. In support of Staff's first request to extend the order in May 2021, Staff filed an extensive record that included the compelled material referred to above.
- [6] Staff filed a Statement of Allegations on March 31, 2022 to commence this proceeding.
- [7] The Sharpes have moved to stay this proceeding asserting abuse of process. The Sharpes point to the Tribunal's finding<sup>3</sup> that the Commission ought to have obtained an order from the Tribunal under s. 17 of the *Securities Act* before the Commission included the compelled material in its application record in court. They also note that six of the witnesses on Staff's witness list for the merits hearing in this proceeding were interviewed by Staff after the date on which the compelled material was published. The stay motions are scheduled to be heard on May 23 and 26, 2023.<sup>4</sup>
- [8] The Sharpes previously moved for an order requiring Staff to make further disclosure that they argued would be relevant to the stay motions. The Tribunal dismissed that motion.<sup>5</sup> The Sharpes applied to Divisional Court for judicial review of that decision.
- [9] Staff moved in the Divisional Court to quash the judicial review application. That motion has been scheduled for May 15, 2023.
- [10] On April 14, 2023, we heard submissions from the parties about scheduling Staff's two motions (for further witness summaries and to dismiss the Sharpes' stay motions) in view of the Sharpes' pending judicial review application.

## 3. ISSUES

### 3.1 Introduction

- [11] In scheduling Staff's two motions, we considered the following issues:
- a. should we schedule Staff's motion seeking further witness summaries, and if so, should the motion be in writing?
  - b. should we schedule Staff's motion to dismiss the stay motions?
  - c. should we schedule dates for the exchange of materials for the stay motions?

### 3.2 Motion seeking further witness summaries

- [12] Staff submits that the Sharpes' application for judicial review should not affect the scheduling of any steps in this Tribunal proceeding. Staff further submits that its motion for further witness summaries would be heard most efficiently in writing.
- [13] The Sharpes submit that the motion should not be heard until after the Divisional Court decides their application for judicial review. The Sharpes submit they do not have unlimited resources, they are still seeking dates for the exchange

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<sup>1</sup> *Bridging Finance Inc (Re)*, (2021) 44 OSCB 3781

<sup>2</sup> RSO 1990, c S.5

<sup>3</sup> *Sharpe (Re)*, 2022 ONSEC 3 at para 5

<sup>4</sup> (2022), 45 OSCB 10059

<sup>5</sup> *Bridging Finance Inc (Re)*, 2023 ONCMT 8

of materials for the judicial review, time is scarce, and delivering written submissions regarding the motion would be onerous.

- [14] We agree with Staff that the pending judicial review application should not affect the scheduling of the motion. The Divisional Court has clearly articulated the undesirability of fragmenting tribunal proceedings.<sup>6</sup> Absent a compelling reason to do otherwise, this Tribunal must adhere to its mandate to ensure that proceedings before it proceed efficiently and expeditiously, while in a manner consistent with principles of fairness.<sup>7</sup>

### 3.3 Staff's motion to dismiss the Sharpes' stay motion

- [15] Staff submits that considering the Tribunal dismissed the Sharpes' stay motions because the Sharpes had not demonstrated a tenable case for a stay, proceeding to a full hearing of their stay motions would not be the best use of resources. Staff submits that it would be more efficient for the Tribunal to hear a motion to dismiss the Sharpes' stay motions on preliminary grounds and in writing. However, given the fast-approaching scheduled date for the stay motions hearing (May 23), Staff concedes that the efficiencies with this approach are dwindling.

- [16] Based on these submissions, we decided to treat the motion to dismiss the stay motions as having been withdrawn by Staff and included a term in our order to that effect.

### 3.4 Exchange of materials for the stay motions

- [17] Staff submits that the Sharpes' application for judicial review ought not delay the progress of this proceeding and that the timetable for the exchange of materials for the stay motions should be set as usual. Further, Staff stated they would oppose any motion the Sharpes have brought to adjourn the stay motions scheduled for May 23<sup>8</sup>.

- [18] The Sharpes submit that Staff's motion to quash the judicial review application, now scheduled for May 15, has changed the circumstances, which is the nature of litigation. We ought to put everything on hold because if the judicial review application is successful, then the stay motion will have to be re-argued. They further submit that they intend to summons witnesses for the hearing of the stay motion as it is their position that the record is not yet complete as the Tribunal declined to grant their motion for disclosure.

- [19] Consistent with our view above that the proceeding should not be fragmented but rather should proceed expeditiously, we accept Staff's submissions. Further, we cannot give effect to the Sharpes' submissions that things should be delayed to accommodate the schedule of one of Mr. Sharpe's several lawyers. A respondent's choice of counsel must be from among those who are ready and able to appear on the respondent's behalf within a reasonable time.<sup>9</sup> This proceeding has already been scheduled and delayed to accommodate respondents' counsel. The dates for the merits hearing have been set for a long time.

- [20] To provide Staff and the respondents with as much time as possible to prepare materials for the stay motions, we decided that the materials related to witness summaries should be provided as expeditiously as possible. We included terms to that effect in our order.

- [21] We further ordered that the exchange of materials for the stay motions be scheduled as close to the stay motion date as possible and included dates to that effect in our order.

## 4. CONCLUSION

- [22] For the above reasons, our order of April 14, 2023, provided that:

- a. the motion seeking further witness summaries will be heard on May 23 and 26, 2023, with the schedule for the exchange of materials as set out in paragraph 2 of the order;
- b. the motion to dismiss the stay motions shall be treated as having been withdrawn; and
- c. the schedule for the exchange of material for the say motions will be as set out in paragraph 5 of the order.

Dated at Toronto this 9th day of May, 2023

"Sandra Blake"

"Timothy Moseley"

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<sup>6</sup> *Ontario College of Art v Ontario (Human Rights Commission)*, 1993 CanLII 3430 (ON SCDC) at para 6

<sup>7</sup> *Capital Markets Tribunal Rules of Procedure and Forms*, r 1

<sup>8</sup> Following our decision, but before the release of these reasons, the Sharpes brought such a motion. That motion plays no part in our reasons.

<sup>9</sup> *Hollinger Inc (Re)*, 2006 ONSEC 2 at para 24

**A.4.2 Miller Bernstein LLP – rule 17 of the Capital Markets Tribunal Rules of Procedure and Forms**

**Citation:** *Miller Bernstein LLP (Re)*, 2023 ONCMT 18

**Date:** 2023-05-10

**File No.** 2023-2

**IN THE MATTER OF  
MILLER BERNSTEIN LLP**

**REASONS FOR DECISION  
(Rule 17 of the Capital Markets Tribunal Rules of Procedure and Forms)**

**Adjudicators:** James Douglas (chair of the panel)  
Timothy Moseley

**Hearing:** By videoconference, March 10, 2023

**Appearances:** Sarah McLeod For Staff of the Ontario Securities Commission  
Robert Staley For Miller Bernstein LLP  
Nathan Shaheed

**REASONS FOR DECISION**

**1. OVERVIEW**

- [1] Miller Bernstein LLP applied under Rule 17 of the Capital Markets Tribunal *Rules of Procedure and Forms* (the **Rules of Procedure**) for relief from the common law “implied undertaking rule” in respect of certain interview transcripts and materials that Staff of the Ontario Securities Commission (**Staff**) received on a voluntary basis and disclosed to Miller Bernstein during an investigation. We explain the implied undertaking rule below; broadly speaking, it is an implicit promise to a court or tribunal by the parties to a proceeding not to make collateral use of material disclosed in the proceeding without leave of the adjudicative body.
- [2] Miller Bernstein and Staff both asked that this application for relief from the rule, and any materials filed in connection with it, be kept confidential.
- [3] The Tribunal convened a hearing with the parties to decide the issue of confidentiality and address other procedural matters. At the hearing on March 10, 2023, we denied the parties’ request for confidentiality, for reasons to follow.<sup>1</sup> These are our reasons for that decision.
- [4] Hearings before the Capital Markets Tribunal are to take place in public unless a panel orders otherwise. Under Rule 22(2) of the *Rules of Procedure* a panel may order that all or part of a hearing take place in the absence of the public where matters involving public security or intimate financial or personal matters may be disclosed, or where a confidential hearing is required by law.
- [5] The parties failed to demonstrate that any of the Rule 22(2) criteria were met on this application. Neither are we convinced that the implied undertaking rule necessitates a confidential hearing in these circumstances.

**2. ANALYSIS**

**2.1 Does the Application Meet the Criteria for a Confidential Hearing?**

- [6] There is a presumption that hearings will be open to the public.<sup>2</sup> Confidentiality orders are therefore not to be made lightly.
- [7] Miller Bernstein filed no evidence in support of an order under Rule 22(2) and conceded in oral argument that this application does not fit neatly into any of the rule’s criteria. Miller Bernstein advised the Panel that it sought confidentiality for its application out of an abundance of caution due to similarities with an application for authorization to disclose under

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<sup>1</sup> *Miller Bernstein LLP (Re)*, (2023) 46 OSCB 2123

<sup>2</sup> *Capital Markets Tribunal Rules of Procedure and Forms*, r 22(1); *Statutory Powers Procedure Act*, RSO 1990, c S.22, s 9

s. 17 of the *Securities Act* (the **Act**)<sup>3</sup>. Section 17 applications are typically held in the absence of the public due to the confidential nature of Part VI investigations and the disclosure restrictions in s. 16 of the *Act*.

- [8] Without citing any authority directly on point, Miller Bernstein argued that the same principles that require s. 17 applications to be confidential may apply to its application for relief from the implied undertaking rule. Miller Bernstein expressed a concern that simply bringing the application without a confidentiality order might be seen to violate the rule from which it seeks relief or otherwise make the application unnecessary. However, in the end, Miller Bernstein conceded that seeking a confidentiality order in this application was more a matter of prudence, based on observation of past practice in other cases, rather than preference.
- [9] Staff supported Miller Bernstein's request for a confidentiality order but similarly filed no evidence to demonstrate that one or more of the criteria under Rule 22(2) was satisfied in the circumstances. Staff submitted that we should follow the s. 17 application precedents even though s. 17 is not engaged in this application, and even though Staff were unable to cite any authority directly on point. Staff argued that the language of Rule 22(2)(b) was broad enough to give the panel the discretion to order confidentiality in these circumstances. Lastly, Staff echoed the concern expressed by Miller Bernstein that the mere bringing of an application for relief from the implied undertaking rule without a confidentiality order could violate the rule and render the application unnecessary. Staff ultimately conceded that this concern could be adequately addressed by appropriate terms in an order denying confidentiality.
- [10] As previously stated, neither party provided us with any authority directly on point in support of a confidentiality order in the circumstance of this case. The parties relied on *Inspektor*, *X and A Co*, and *Y*. Each of these cases is distinguishable on the facts from the case before us. In *Inspektor* and *Y* the applicants applied under s. 17 for authorization to disclose compelled evidence, as well as voluntary evidence subject to the implied undertaking rule, for use in a collateral civil proceeding.<sup>4</sup> In *X and A Co* only compelled evidence was at issue.<sup>5</sup>
- [11] The parties were unable to provide us with precedent case law that was analogous to the situation we are dealing with in this application, namely a request for relief solely from the implied undertaking rule. The fact that the above cases proceeded confidentially is not persuasive to us that similar relief should be granted here, as those cases all involved compelled evidence to which s. 16 of the *Act*<sup>6</sup> applied.
- [12] We disagree with the suggestion by both parties that this application should nevertheless be treated like a s. 17 application. The oral evidence and documents at issue in this case were voluntarily provided to Staff during the course of its investigation. They were not compelled under s. 13 of the *Act*. Section 16 of the *Act* is not engaged. There is no ongoing investigation and any proceedings arising from the investigation concluded nearly twenty years ago.<sup>7</sup> Moreover, we were advised that the party who provided the voluntary evidence in question does not oppose the relief sought in the application, nor did he provide evidence or otherwise make submissions on the issue of confidentiality.
- [13] None of the criteria set out in Rule 22(2) have been met in support of the requested confidentiality order, nor are we satisfied that the procedures applicable on a s. 17 application should apply in relation to an application to the Tribunal for relief from the implied undertaking rule.

## 2.2 Would the Purpose of the Application be Defeated by a Public Hearing?

- [14] While the panel is satisfied, as discussed above, that none of the criteria in Rule 22(2) have been strictly met on the evidence adduced in this application, and likewise that the application should not be treated as a s. 17 application, we acknowledge that, if the concern expressed by both Miller Bernstein and Staff as described in paragraphs [8] and [9] above has merit, some confidentiality relief might be procedurally necessary in order to preserve the integrity of the Tribunal's process and ensure that it is able to discharge its mandate.<sup>8</sup> However, having considered the issue raised by the parties, we are satisfied that the implied undertaking rule does not actually give rise to that concern.
- [15] The implied undertaking rule was first formally adopted as part of the law of Ontario by the Court of Appeal in *Goodman v. Rossi*.<sup>9</sup> In *A Co. v. Naster*, the Divisional Court held that the implied undertaking rule applies to proceedings before administrative tribunals as well as the courts.<sup>10</sup> The Tribunal has considered *Naster* in past decisions and held that the implied undertaking rule applies to proceedings before it with respect to evidence collected on a voluntary basis.<sup>11</sup> However, the purpose of the implied undertaking rule is not to provide a cloak of confidentiality to proceedings, but to provide an element of privacy to the producing party and prevent the collateral use of material disclosed to the other party

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<sup>3</sup> *Securities Act*, RSO 1990, c S.5

<sup>4</sup> *Inspektor (Re)*, 2014 ONSEC 39 (*Inspektor*) at para 33; *Y (Re)*, 2009 ONSEC 29 (*Y*) at para 2

<sup>5</sup> *X and A Co (Re)*, 2007 ONSEC 1 (*X and A Co*) at para 1

<sup>6</sup> *Inspektor* at para 4; *Y* at paras 97-99; *X and A Co* at para 9

<sup>7</sup> *Buckingham Securities Corporation (Re)*, (2005) 28 OSCB 7083; *Miller Bernstein & Partners LLP (Re)*, (2005) 28 OSCB 7082

<sup>8</sup> *ATCO Gas & Pipelines Ltd v Alberta (Energy & Utilities Board)*, 2006 SCC 4 at para 51

<sup>9</sup> *Goodman v Rossi*, [1995] OJ No 1906 (ON CA) (*Goodman v Rossi*) at para 17

<sup>10</sup> *A Co. v. Naster*, [2001] OJ No 4997 (Div. Ct) (*Naster*)

<sup>11</sup> *Inspektor* at para 28

in the context of an investigation or proceeding.<sup>12</sup> The undertaking is to the court or tribunal before which the proceeding takes place and relief may be sought on motion before that body.<sup>13</sup>

[16] Both parties submitted that if this application were to be heard in public, the materials at issue may no longer be subject to the implied undertaking rule, thereby defeating the purpose of the application. Staff cited *Goodman v. Rossi* for the principle that an undertaking not to use a document for any purposes other than those of the proceedings in which it is disclosed shall cease to apply once the document has been read to or by the court, or referred to, in open court, unless the court orders to the contrary.<sup>14</sup> However, there is no suggestion in *Goodman v. Rossi* that such principle applies to a motion for relief from the implied undertaking rule, and counsel for Miller Bernstein was clear that this was not his client's position. Accordingly, Miller Bernstein is not relieved of its undertaking to the Tribunal and would not be permitted to use the materials at issue in this application simply because they were referred to in the materials filed in support of or in the public hearing of the application.

[17] In our view, the parties have not demonstrated that the nature of the application itself demands that some degree of confidentiality should be granted in order to preserve the integrity of the process and allow the Tribunal to fulfill its mandate. Nevertheless, with the agreement of both parties, we were prepared to confirm in our order that, pending disposition of the application, the public nature of the hearing would not impact the applicability of the implied undertaking rule to the materials that are at issue.

### 3. CONCLUSION

[18] For these reasons we denied the parties' request that this application be confidential, with the qualification that this ruling would not impact the application of the implied undertaking rule to the materials at issue.

Dated at Toronto this 10th day of May, 2023

"James Douglas"

"Timothy Moseley"

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<sup>12</sup> *Naster* at para 24

<sup>13</sup> *Goodman v Rossi* at para 60

<sup>14</sup> *Goodman v Rossi* at paras 50-51

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# B. Ontario Securities Commission

## B.1 Notices

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### B.1.1 Notice of Commission Approval of OSC Rule 44-502 Extension to Ontario Instrument 44-501 Certain Prospectus Requirements for Well-Known Seasoned Issuers

#### NOTICE OF COMMISSION APPROVAL OF OSC RULE 44-502 EXTENSION TO ONTARIO INSTRUMENT 44-501 CERTAIN PROSPECTUS REQUIREMENTS FOR WELL-KNOWN SEASONED ISSUERS

April 27, 2023

#### Introduction

On March 28, 2023, the Ontario Securities Commission (the **OSC** or **we**) made as a rule under the *Securities Act* (Ontario) local OSC Rule 44-502 *Extension to Ontario Instrument 44-501 Certain Prospectus Requirements for Well-known Seasoned Issuers* in Ontario (the **Rule**).

The Rule extends the blanket relief issued on December 6, 2021 by Ontario Instrument 44-501 *Certain Prospectus Requirements for Well-known Seasoned Issuers* (Interim Class Order) (the **OSC Blanket Order**) by 18 months. The OSC Blanket Order took effect on January 4, 2022.

The OSC Blanket Order was issued as part of a larger initiative by the Canadian Securities Administrators (**CSA**) to provide temporary exemptions from certain base shelf prospectus requirements for qualifying well-known seasoned issuers (**WKSIs**) through local blanket orders that are substantively harmonized across the country.

The OSC Blanket Order allows an issuer that meets the WSKI qualifications and certain conditions to file a final base shelf prospectus with the OSC and obtain a receipt for that prospectus on an accelerated basis without first filing a preliminary base shelf prospectus. The OSC Blanket Order was implemented as a pilot program, to provide an opportunity to evaluate the appropriateness of the eligibility criteria and identify any potential public interest concerns or operational considerations that should be addressed in future rule amendments.

The OSC Blanket Order will cease to be effective on July 4, 2023. Subject to Ministerial approval of the Rule on or before June 20, 2023, the Rule will cause the relief provided in the OSC Blanket Order to be in force for an additional 18-month period.

The text of the Rule is contained in Annex A of this notice and is also available on the OSC website at [www.osc.ca](http://www.osc.ca).

#### Substance and Purpose

The CSA received feedback to its Consultation Paper 51-404 *Considerations for Reducing Regulatory Burden for Non-Investment Fund Reporting Issuers*<sup>1</sup> that certain prospectus requirements in the base shelf context create unnecessary regulatory burden for large, established reporting issuers that have strong market following and up-to-date disclosure records. The feedback recommended enhancing the current prospectus system by amending the base shelf prospectus regime to implement a Canadian WSKI regime.

Similar submissions were also made by the Capital Markets Modernization Taskforce (the **Taskforce**) established by the Government of Ontario in February 2020. On January 22, 2021, the Taskforce published its final report (the **Taskforce Final Report**). The Taskforce Final Report included a recommendation that the Commission develop a WSKI model in Ontario to streamline the prospectus process for issuers that meet certain eligibility criteria.<sup>2</sup>

In the United States, the WSKI regime is codified in the General Rules and Regulations, Securities Act of 1933, and has been in regular use for several years.

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<sup>1</sup> See CSA Staff Notice 51-353 *Update on CSA Consultation Paper 51-404 Considerations for Reducing Regulatory Burden for Non-Investment Fund Reporting Issuers*.

<sup>2</sup> See Recommendation No.17 in the Taskforce Final Report, available at <https://www.ontario.ca/document/capital-markets-modernization-taskforce-final-report-january-2021>

## B.1: Notices

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Having considered market feedback and the Taskforce recommendation, the OSC issued the OSC Blanket Order on December 6, 2021.

The OSC Blanket Order will cease to be effective on July 4, 2023. The purpose of the Rule is to cause the blanket relief issued under the OSC Blanket Order to be extended for an additional 18-month period.

The OSC is reviewing options for a more permanent solution. Any amendments to implement accommodations for WKSIs will be adopted by the CSA through the normal rule-making procedures on a coordinated basis.

### Authority for the Local Amendments

Paragraph 143.11(3)(b) of the *Securities Act* (Ontario) provides the authority for the making of a rule which extends a blanket order for a further period of up to 18 months, in accordance with sections 143.3 to 143.6.

### Delivery of Rule to Minister

The OSC delivered the Rule to the Minister of Finance on or about April 26, 2023. The Minister may approve or reject the Rule or return it for further consideration within 60 days. Subject to Ministerial approval on or before June 20, 2023, the Rule will come into force on July 4, 2023. If the Minister approves the Rule after June 20, 2023, it will come into force 15 days following approval. If the Minister takes no action, it will come into force on July 10, 2023.

### Questions

Please refer any questions to the following OSC staff:

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ANNEX A

OSC RULE 44-502  
**EXTENSION TO ONTARIO INSTRUMENT 44-501  
CERTAIN PROSPECTUS REQUIREMENTS FOR WELL-KNOWN SEASONED ISSUERS**

**Purpose**

1. This Rule provides, in Ontario, a temporary extension to the exemptions provided in Ontario Instrument 44-501 *Certain Prospectus Requirements for Well-known Seasoned Issuers* (Interim Class Order), pursuant to paragraph 143.11(3)(b) of the *Securities Act* (Ontario).

**Extension of temporary exemptions**

2. **Section 13 of Ontario Instrument 44-501 *Certain Prospectus Requirements for Well-known Seasoned Issuers* (Interim Class Order) is amended by replacing** “July 4, 2023, unless extended by the Commission” **with** “January 4, 2025”.

**Effective date**

3. This Rule comes into force on July 4, 2023.

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## B.2 Orders

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### B.2.1 Chicago Mercantile Exchange Inc. et al. – s. 144 of the OSA and ss. 38, 78 of the CFA

#### Headnote

Section 144 of the Securities Act (Ontario) (OSA) and sections 38 and 78 of the Commodity Futures Act (Ontario) (CFA) – variation of an order exempting Chicago Mercantile Exchange Inc., Board of Trade of the City of Chicago, Inc., Commodity Exchange Inc., and New York Mercantile Exchange, Inc. (collectively, CMEG Exchanges) from the requirement to be registered as commodity futures exchanges under section 15 of the CFA and recognized as exchanges under section 21 of the OSA – extension of exemption from the registration requirement under section 22 of the CFA with respect to trades in Contracts listed on the CMEG Exchanges by banks listed in Schedule I to the Bank Act (Canada) entering orders as principal and only for their own accounts.

#### Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5 as am., ss. 21, 144.

Commodity Futures Act, R.S.O. 1990, c. C.20 as am., ss. 15, 22, 38, 78.

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

AND

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

AND

IN THE MATTER OF  
CHICAGO MERCANTILE EXCHANGE INC.,  
BOARD OF TRADE OF THE CITY OF CHICAGO, INC.,  
COMMODITY EXCHANGE, INC.,  
AND  
NEW YORK MERCANTILE EXCHANGE, INC.

ORDER

(Section 144 of the OSA and sections 38 and 78 of the CFA)

**WHEREAS** the Ontario Securities Commission (**Commission**) issued an order dated October 22, 2013 (**Exemption Order**) exempting Chicago Mercantile Exchange Inc. (**CME**), Board of Trade of the City of Chicago, Inc. (**CBOT**), Commodity Exchange, Inc. (**COMEX**) and New York Mercantile Exchange, Inc. (**NYMEX**) (together, the **CMEG Exchanges**, and each individually, a **CMEG Exchange**) from the requirement to be recognized as an exchange under subsection 21(1) of the OSA and the requirement to be registered as a commodity futures exchange under subsection 15(1) of the CFA (**Exchange Relief**);

**AND WHEREAS** the Exemption Order also exempts trades in CMEG Contracts (as defined below) by a “hedger” as defined in subsection 1(1) of the CFA (**Hedger**) from the registration requirement under section 22 of the CFA (**Hedger Relief**);

**AND WHEREAS** the Commission issued a variation order dated April 6, 2018 (**April 2018 Variation Order**) under section 144 of the OSA and under section 78 of the CFA to vary and restate the Exemption Order and,

- (a) pursuant to section 38 of the CFA, to grant an order exempting trades in CMEG Contracts by a bank listed in Schedule I to the *Bank Act* (Canada) (**Bank**) entering orders as principal and only for its own account from the registration requirement under section 22 of the CFA (**Bank Relief**); and

- (b) pursuant to section 38 of the CFA, to grant an order exempting trades in CMEG Contracts by an Ontario User (as defined in the Exemption Order) that is not a dealer, a Hedger or a Bank, but has obtained an exemption from the requirement to be registered under the CFA from the registration requirement under section 22 of the CFA (**Participant Relief** and, together with the Hedger Relief and the Bank Relief, **Registration Relief**);

**AND WHEREAS**, on March 11, 2021, the Commission varied the April 2018 Variation Order as part of a broader order to streamline the regulatory reporting requirements applicable to foreign commodity futures exchanges, multilateral trading facilities and swap execution facilities carrying on business in Ontario and reduce regulatory burden (**March 2021 Variation Order**);

**AND WHEREAS** the CMEG Exchanges have filed an application under section 144 of the OSA and under section 78 of the CFA requesting that the Commission issue an order further varying the April 2018 Variation Order, as varied by the March 2021 Variation Order (**Revised Exemption Order**), to extend the term of the Revised Variation Order indefinitely;

**AND WHEREAS**, based on the application and the representations made to the Commission by the CMEG Exchanges, the Commission has determined that it is not prejudicial to the public interest to vary the Revised Exemption Order on the basis requested;

**IT IS ORDERED**, pursuant to section 144 of the OSA and section 78 of the CFA, that the Revised Exemption Order is varied and restated as follows:

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

**AND**

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

**AND**

**IN THE MATTER OF  
CHICAGO MERCANTILE EXCHANGE INC.,  
BOARD OF TRADE OF THE CITY OF CHICAGO, INC.,  
COMMODITY EXCHANGE, INC.  
AND  
NEW YORK MERCANTILE EXCHANGE, INC.**

**ORDER**

**(Section 147 of the OSA and sections 38 and 80 of the CFA)**

**WHEREAS** the Ontario Securities Commission (**Commission**) issued an order dated October 22, 2013 (**Exemption Order**) exempting Chicago Mercantile Exchange Inc. (**CME**), Board of Trade of the City of Chicago, Inc. (**CBOT**), Commodity Exchange, Inc. (**COMEX**) and New York Mercantile Exchange, Inc. (**NYMEX**) (together, the **CMEG Exchanges**, and each individually, a **CMEG Exchange**) from the requirement to be recognized as an exchange under subsection 21(1) of the OSA and the requirement to be registered as a commodity futures exchange under subsection 15(1) of the CFA (**Exchange Relief**);

**AND WHEREAS** the Exemption Order also exempts trades in CMEG Contracts (as defined below) by a "hedger" as defined in subsection 1(1) of the CFA (**Hedger**) from the registration requirement under section 22 of the CFA (**Hedger Relief**);

**AND WHEREAS** the Commission issued a variation order dated April 6, 2018 (**Variation Order**) under section 144 of the OSA and under section 78 of the CFA to vary and restate the Exemption Order and,

- (a) pursuant to section 38 of the CFA, to grant an order exempting trades in CMEG Contracts by a bank listed in Schedule I to the *Bank Act* (Canada) (**Bank**) entering orders as principal and only for its own account from the registration requirement under section 22 of the CFA (**Bank Relief**); and
- (b) pursuant to section 38 of the CFA, to grant an order exempting trades in CMEG Contracts by an Ontario User (as defined in the Exemption Order) that is not a dealer, a Hedger or a Bank, but has obtained an exemption from the requirement to be registered under the CFA from the registration requirement under section 22 of the CFA (**Participant Relief** and, together with the Hedger Relief and the Bank Relief, **Registration Relief**);

**AND WHEREAS** the CMEG Exchanges have filed an application under section 144 of the OSA and under section 78 of the CFA requesting that the Commission issue an order varying the Exemption Order as varied by the Variation Order (Revised Exemption Order) to further extend the term of the Revised Variation Order indefinitely;

**AND WHEREAS** OSC Rule 91-503 *Trades in Commodity Futures Contracts and Commodity Futures Options Entered into on Commodity Futures Exchanges Situate Outside of Ontario (Rule 91-503)* exempts trades of commodity futures contracts or commodity futures options made on commodity futures exchanges not registered with or recognized by the Commission under the CFA from sections 25 and 53 of the OSA;

**AND WHEREAS** the deemed rule titled *In the Matter of Trading in Commodity Futures Contracts and Commodity Futures Options Entered into on Commodity Futures Exchanges in the United States of America* provides that section 33 of the CFA does not apply to trades entered into a commodity futures exchanges designated by the United States (**U.S.**) Commodity Futures Trading Commission (**CFTC**) under the U.S. *Commodity Exchange Act (CEA)*;

**AND WHEREAS** the CMEG Exchanges have not requested as part of the Application that the Exchange Relief apply to the operation of any trading system or platform that is a “swap execution facility” as defined in section 1a of the CEA, or to the provision of access to any such trading system or platform to prospective participants in Ontario;

**AND WHEREAS** the CMEG Exchanges have represented to the Commission that:

- 1.1 Each of CME, CBOT and NYMEX is a corporation organized under the laws of the State of Delaware in the U.S. and is a wholly-owned subsidiary of CME Group Inc. (**CMEG**), a publicly traded for-profit corporation organized under the laws of Delaware and listed for trading on the NASDAQ National Market. COMEX is a corporation organized under the laws of the State of New York in the U.S. and is a wholly-owned subsidiary of CMEG. CMEG is the ultimate parent company of each of the CMEG Exchanges;
- 1.2 The CMEG Exchanges receive a majority of their revenue from clearing and transaction fees, which include electronic trading fees, surcharges for privately-negotiated transactions and other volume-related charges for contracts executed through the CMEG Exchanges' trading venues;
- 1.3 CMEG, as the holding company for each of the CMEG Exchanges, has no operations of its own, does not have employees, relies upon the dividends declared and paid by its subsidiaries and has limited contractual arrangements. CME is the primary employer within the CMEG organization, with approximately 2,100 employees out of approximately 3,400 employees;
- 1.4 Each of CME, CBOT, COMEX and NYMEX is a designated contract market (**DCM**) within the meaning of that term under the CEA. The CMEG Exchanges are subject to regulatory supervision by the CFTC, a U.S. federal regulatory agency. The CMEG Exchanges are subject to the CEA and regulation by the CFTC, including applicable recordkeeping and production requirements. The CMEG Exchanges provide the CFTC with access to records falling under such recordkeeping or production requirements unless otherwise prohibited by applicable law, regulation or order or where such records are subject to solicitor-client privilege. The CFTC reviews, assesses and enforces the CMEG Exchanges' adherence to the CEA and the regulations thereunder on an ongoing basis, including the DCM core principles (**DCM Core Principles**) relating to the operation and oversight of the CMEG Exchanges' markets, including financial resources, systems and controls, maintenance of an orderly market, execution and settlement of transactions, rule-making and investor protection;
- 1.5 CME is also regulated as a derivatives clearing organization (**DCO**) by the CFTC, which results in CME being subject to extensive regulation by the CFTC under its principles-based approach and requires CME to satisfy the requirements of the DCO core principles relating to CME's activities as a DCO. The CFTC has further designated CME's clearing house as a Systemically Important Derivatives Clearing Organization (**SIDCO**), subjecting it to heightened regulation;
- 1.6 The CFTC's Division of Market Oversight conducts regular in-depth reviews of each DCM's ongoing compliance with the CEA and CFTC regulations addressing enforcement of rules, prevention of market manipulation and customer and market abuses, and the recording and safe storage of trade information. The results of these rule enforcement reviews (**RERs**) are in most cases summarized in reports by the CFTC;
- 1.7 The CMEG Exchanges together form the largest commodity futures exchanges in the world and provide customers with trading and execution services for a diverse range of exchange-traded futures and options on futures (**exchange-traded products**). The exchange-traded products relate to underlyings in various asset classes, including among other things, interest rate sensitive instruments, equity ownership, changes in the value of foreign currency and changes in the prices of agricultural, energy and metal commodities. CME's product slate consists of agricultural, equities, FX, cryptocurrencies<sup>1</sup>/alternative investments and interest rate products, including Eurodollar futures and options, Secured

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<sup>1</sup> CME-listed crypto contracts are based on and settle to their corresponding CME CF Reference Rate and are financially-settled and therefore do not involve the exchange of the underlying coin/token.

Overnight Financing Rate (SOFR) futures and options, Bloomberg Short-Term Bank Yield, livestock and cash-settled contracts based on the S&P 500, including the E-mini S&P 500 ESG (Environmental, Social and Governance) contract, Micro E-mini Equity Index contracts, Nasdaq-100, FTSE Russell and Bitcoin and Ether Reference Rate. CBOT's product slate consists of agricultural, equities and interest rate products, including contracts for United States Treasury futures, soybean, corn, wheat and contracts based on the Dow Jones Industrial Index. NYMEX's product slate consists of energy and metals products, including contracts for crude oil, natural gas, heating oil, gasoline and emissions contracts. COMEX's product slate consists of metals products, including contracts for gold, silver, copper and other base metals (collectively with all other exchange-traded products offered for trading on the CMEG Exchanges, the **CMEG Contracts**);

- 1.8 The CMEG Exchanges have a wide range of sophisticated customers comprised of both buy- and sell-side investors, including commercial and investment banks, corporations, pension funds, money managers, proprietary trading firms, hedge funds, commodity trading advisers, currency overlay managers, other institutional customers and individuals;
- 1.9 The CMEG Exchanges do not have any offices or maintain other physical installations in Ontario or any other Canadian province or territory;
- 1.10 CME Globex is an electronic trading platform and also functions as the electronic central limit order book for each of the CMEG Exchanges. It is maintained and operated by CME on behalf of each of the CMEG Exchanges in connection with their respective DCM registrations;
- 1.11 As an electronic trading platform, CME Globex facilitates trading for users in the U.S. and foreign jurisdictions of exchange-traded products that are traded and executed on the CMEG Exchanges. CME Globex also provides hosting arrangements for other exchanges, including Bursa Malaysia, the Dubai Mercantile Exchange and the Minneapolis Grain Exchange;
- 1.12 The CMEG Exchanges offer access in Ontario to their trading systems and facilities, via CME Globex, to prospective participants in Ontario (**Ontario Participants**). To obtain direct access to the trading systems and facilities of the CMEG Exchanges, via CME Globex, an Ontario Participant must either be:
- (a) a "Member Firm", as defined in the rules of the CMEG Exchanges, that is also a "Clearing Member", as defined in the rules of the CMEG Exchanges (**CMEG Exchange Clearing Member**);
  - (b) a "Member" or "Member Firm", as defined in the rules of the CMEG Exchanges (collectively, **CMEG Exchange Members**), that has executed a customer connection agreement with CME through which the CMEG Exchange Member can transmit orders and trades directly into CME Globex with the guarantee of a CMEG Exchange Clearing Member; or
  - (c) a non-CMEG Exchange Member that has executed a customer connection agreement with CME through which the non-CMEG Exchange Member: (i) can transmit orders and trades directly into CME Globex with the guarantee of a CMEG Exchange Clearing Member, and (ii) is required, among other things, to comply with the rules of the CMEG Exchanges to which access is granted, when entering and executing transactions via CME Globex, and to comply with all applicable laws pertaining to the use of CME Globex (all such non-CMEG Exchange Members herein referred to as **Direct Access Users**);
- 1.13 Indirect access by Ontario Participants to the trading systems and facilities of the CMEG Exchanges, via CME Globex, may be facilitated via an order-routing arrangement between the Ontario Participant and a CMEG Exchange Clearing Member whereby orders of the Ontario Participant, as client of the CMEG Exchange Clearing Member, are routed through the CMEG Exchange Clearing Member onto a CMEG Exchange (**Order-Routing Client**);
- 1.14 The CMEG Exchanges expect that an Ontario Participant seeking direct access in accordance with above paragraph 1.12 (**Ontario User**) will be certain Canadian financial institutions (within the meaning of such term in subsection 1.1(3) of National Instrument 14-101 *Definitions*) and certain other market participants that have a head office or principal place of business in Ontario, such as (i) dealers that are engaged in the business of trading commodity futures in Ontario; (ii) utilities and other commercial enterprises that are exposed to risks attendant upon fluctuations in the price of a commodity; and (iii) institutional investors and proprietary trading firms. In each case, the CMEG Exchanges expect that Ontario Users will be (i) dealers and other entities that are engaged in the business of trading commodity futures and commodity options in Ontario, (ii) Hedgers, or (iii) Banks;
- 1.15 The CMEG Contracts fall within the definitions of "commodity futures contract" or "commodity futures option" as defined in section 1 of the CFA (collectively, **Commodity Futures**). As a result, each of the CMEG Exchanges is considered a "commodity futures exchange" as defined in section 1 of the CFA. Therefore, the CMEG Exchanges are prohibited from carrying on business in Ontario unless they are registered or exempt from registration as a commodity futures exchange under subsection 15(1) of the CFA;

## B.2: Orders

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- 1.16 As the CMEG Exchanges intend to provide Ontario Participants with access in Ontario to their trading systems and facilities to trade the CMEG Contracts via CME Globex, the CMEG Exchanges are considered to be “carrying on business as commodity futures exchanges in Ontario”;
- 1.17 None of the CMEG Exchanges is registered with or recognized by the Commission as a commodity futures exchange under the CFA and no CMEG Contracts have been accepted by the Director (as defined in the OSA) under the CFA. As a result, CMEG Contracts are also considered “securities” under paragraph (p) of the definition of “security” in section 1 of the OSA and each of the CMEG Exchanges is considered to be an “exchange” under the OSA. Therefore, the CMEG Exchanges are prohibited from carrying on business in Ontario unless they are recognized or exempt from recognition under subsection 21(1) of the OSA;
- 1.18 Further, while the CMEG Contracts are also considered “securities” under paragraph (p) of the definition of “security” in section 1 of the OSA for the reasons outlined in the preceding paragraph, the CMEG Contracts would not be considered “securities” under any other paragraph contained in that definition, nor would any CMEG Contract be considered a “derivative” as defined in section 1 of the OSA;
- 1.19 Similar to paragraph 1.16 above, since the CMEG Exchanges seek to provide Ontario Participants with access in Ontario to trade the CMEG Contracts via CME Globex, they are considered to be “carrying on business as exchanges in Ontario”;
- 1.20 Additionally, the exemption from registration in subsection 32(a) of the CFA applies for trades “by a hedger through a dealer”. This exemption is available for trades in CMEG Contracts by Ontario-resident Hedgers that are Order-Routing Clients of CMEG Exchange Clearing Members that are dealers. However, this exemption is not available for trades in CMEG Contracts by Ontario-resident Hedgers that become Ontario Users, since they will have direct access to a CMEG Exchange but will not be considered to be executing “through a dealer”. For this reason, the CMEG Exchanges sought and obtained the Hedger Relief under the Revised Exemption Order;
- 1.21 Section 35.1 of the OSA provides that financial institutions are exempt from the requirement to be registered under the OSA to act as dealers provided that the conditions of the exemption are met. However, there is no corresponding exemption from registration for trades by financial institutions in the CFA. For this reason, the CMEG Exchanges sought and obtained the Bank Relief under the Revised Exemption Order;
- 1.22 The CMEG Exchanges ensure that all applicants for membership must satisfy certain criteria before their applications are considered for membership, including, among other things: age of majority, good moral character, good reputation, business integrity and adequate financial resources to assume the responsibilities and privileges of membership;
- 1.23 All CMEG Exchange Clearing Members that guarantee a CMEG Exchange Member or Direct Access User in connection with the provision of direct access under above paragraph 1.12 or that provide order routing access to an Order-Routing Client under above paragraph 1.13 will be registered futures commission merchants with the CFTC. Such CMEG Exchange Clearing Members are subject to the compliance requirements of the CEA, the CFTC and the National Futures Association as they relate to customer accounts, including various know-your-client, suitability, risk disclosure, anti-money laundering and anti-fraud requirements. These requirements, in conjunction with the margin requirements of the CMEG Exchanges applicable to CMEG Exchange Clearing Members, and subsequently to their clients whose trades they guarantee, ensure that Ontario Participants seeking to become Direct Access Users or Order-Routing Clients that are not also CMEG Exchange Members are subjected to appropriate due diligence procedures and fitness criteria. In addition, Direct Access Users are responsible for, among other things, compliance with the rules of the CMEG Exchanges to which access is granted, as those rules relate to the entering and executing of transactions via CME Globex, and to comply with all applicable laws pertaining to the use of CME Globex;
- 1.24 Based on the facts set out in the Application, each of the CMEG Exchanges satisfies the criteria for exemption set out in Appendix 1 of Schedule “A” to this order;

**AND WHEREAS** the CMEG Exchanges have acknowledged to the Commission that the scope of the Exchange Relief or Registration Relief and the terms and conditions imposed by the Commission set out in Schedule “A” to this order may change as a result of the Commission’s monitoring of developments in international and domestic capital markets or the CMEG Exchanges’ activities, or as a result of any changes to the laws in Ontario affecting trading in derivatives, Commodity Futures or securities;

**AND WHEREAS** based on the Application, together with the representations made by and acknowledgements of the CMEG Exchanges to the Commission, the Commission has determined that:

- (a) the CMEG Exchanges satisfy the criteria for exemption set out in Appendix 1 of Schedule “A”;
- (b) the extension of the Exchange Relief would not be prejudicial to the public interest; and
- (c) the extension of the Registration Relief would not be prejudicial to the public interest;

**AND WHEREAS** the Exchange Relief granted by the Commission will not apply to the operation of any trading system or platform that is a “swap execution facility” as defined in section 1a of the CEA, or to the provision of access to any such trading system or platform to prospective participants in Ontario;

**IT IS HEREBY ORDERED** by the Commission that:

- (a) pursuant to section 147 of the OSA, each of the CMEG Exchanges continues to be exempt from recognition as an exchange under subsection 21(1) of the OSA;
- (b) pursuant to section 80 of the CFA, each of the CMEG Exchanges continues to be exempt from registration as a commodity futures exchange under subsection 15(1) of the CFA;
- (c) pursuant to section 38 of the CFA, trades in CMEG Contracts by Hedgers that are Ontario Users continue to be exempt from the registration requirement under section 22 of the CFA;
- (d) pursuant to section 38 of the CFA, trades in CMEG Contracts by Banks that are Ontario Users entering orders as principal and only for their own accounts continue to be exempt from the registration requirement under section 22 of the CFA; and
- (e) pursuant to section 38 of the CFA, trades in CMEG Contracts by Ontario Users (as defined in the Exemption Order) that are not dealers, Hedgers or Banks, but have obtained an exemption from the requirement to be registered under the CFA continue to be exempt from the registration requirement under section 22 of the CFA.

**PROVIDED THAT**

- a. The CMEG Exchanges comply with the terms and conditions attached hereto as Schedule “A”.
- b. The Bank Relief and the Participant Relief shall expire upon the coming into force of legislation or a rule by the Commission regarding the imposition of business conduct obligations on market participants in connection with the trading of exchange-traded derivatives with investors in Ontario.

**DATED** April 6, 2018, as varied and restated on 11 May, 2023.

“Michelle Alexander”  
Manager, Market Regulation



**SCHEDULE "A"**  
**TERMS AND CONDITIONS**

**Meeting Criteria for Exemption**

1. Each CMEG Exchange will continue to meet the criteria for exemption included in Appendix 1 to this schedule.

**Regulation and Oversight of the CMEG Exchanges**

2. Each CMEG Exchange will maintain its registration as a DCM with the CFTC and will continue to be subject to the regulatory oversight of the CFTC.
3. Each CMEG Exchange will continue to comply with the ongoing requirements applicable to it as a DCM registered with the CFTC.
4. Each CMEG Exchange must do everything within its control, which would include cooperating with the Commission as needed, to carry out its activities as an exchange exempted from recognition under subsection 21(1) of the OSA, as a commodity futures exchange exempted from registration under subsection 15(1) of the CFA, and in compliance with Ontario securities law and Ontario commodity futures law.

**Access**

5. A CMEG Exchange will not provide direct access to an Ontario User unless the Ontario User is appropriately registered to trade in CMEG Contracts, has obtained an exemption from registration, is a Hedger, or is a Bank; in making this determination, a CMEG Exchange may reasonably rely on a written representation from the Ontario User that specifies either that it is appropriately registered to trade in CMEG Contracts, has obtained an exemption from registration, is a Hedger, or is a Bank, and the CMEG Exchange will notify such Ontario User that this representation is deemed to be repeated each time it enters an order for a CMEG Contract.
6. Each Ontario User that intends to rely on the Hedger Relief will be required to, as part of its application documentation or continued access to trading in CMEG Contracts:
  - (a) represent that it is a Hedger;
  - (b) acknowledge that the CMEG Exchanges deem the Hedger representation to be repeated by the Ontario User each time it enters an order for a CMEG Contract and that the Ontario User must be a Hedger for the purposes of each trade resulting from such an order;
  - (c) agree to notify the CMEG Exchanges if it ceases to be a Hedger;
  - (d) represent that it will only enter orders for its own account;
  - (e) acknowledge that it is a market participant under the CFA and is subject to applicable requirements; and
  - (f) acknowledge that its ability to continue to rely on the Hedger Relief in accessing trading on the CMEG Exchanges will be dependent on the Commission continuing to grant the relief and may be affected by changes to the terms and conditions imposed in connection with the Hedger Relief or by changes to Ontario securities laws or Ontario commodity futures laws pertaining to derivatives, Commodity Futures or securities.
7. Each Ontario User that intends to rely on the Bank Relief will be required to, as part of its application documentation or continued access to trading in CMEG Contracts:
  - (a) represent that it will only enters as principal and for its own account only;
  - (b) represent that it is a Bank;
  - (c) acknowledge that the Bank Relief may be affected by changes to the terms and conditions imposed in connection with the Bank Relief or by changes to Ontario securities laws or Ontario commodity laws pertaining to derivatives, Commodity Futures or securities; and
  - (d) represent that it is not engaging in activities prohibited by its governing legislation.
8. Each CMEG Exchange will require Ontario Users to notify the CMEG Exchange if their registration or exemption from registration has been revoked, suspended or amended by the Commission or if they have ceased to be eligible for the Registration Relief and, following notice from the Ontario User or the Commission and subject to applicable laws, the

CMEG Exchange will promptly restrict the Ontario User's access to the CMEG Exchange if the Ontario User is no longer appropriately registered with the Commission, or is no longer eligible for the Registration Relief.

9. Each CMEG Exchange must provide guidance to all CMEG Exchange Clearing Members that provide access to trading for Order-Routing Clients that are Ontario Participants that indicates that the CMEG Exchange Clearing Member is permitted to grant such access provided that (i) the Order-Routing Client is a registered futures commission merchant (**FCM**) under the CFA; (ii) the CMEG Exchange Clearing Member is a registered FCM under the CFA or (iii) the CMEG Exchange Clearing Member is regulated as a "dealer" (as that term is defined in subsection 1(1) of the CFA) in its home jurisdiction and the Order-Routing Client is a Hedger or is able to rely on another exemption from registration under the CFA.

#### **Trading by Ontario Users**

10. A CMEG Exchange will not provide access to an Ontario User to trading in the exchange-traded products of an exchange other than those of the CMEG Exchange, unless such other exchange has sought and received appropriate regulatory standing in Ontario.
11. A CMEG Exchange will not provide access to an Ontario User to trading in CMEG Contracts other than those that meet the definition of "commodity futures contract" or "commodity futures option" as defined in subsection 1(1) of the CFA, and which also fall under paragraph (p) of the definition of "security" in subsection 1(1) of the OSA, without prior Commission approval.

#### **Submission to Jurisdiction and Agent for Service**

12. With respect to a proceeding brought by the Commission arising out of, related to, concerning or in any other manner connected with the Commission's regulation and oversight of the activities of a CMEG Exchange in Ontario, the CMEG Exchange will submit to the non-exclusive jurisdiction of (i) the courts and administrative tribunals of Ontario and (ii) an administrative proceeding in Ontario.
13. Each CMEG Exchange will submit to the Commission a valid and binding appointment of an agent for service in Ontario upon whom the Commission may serve a notice, pleading, subpoena, summons or other process in any action, investigation or administrative, criminal, quasi-criminal, penal or other proceeding arising out of or relating to or concerning the Commission's regulation and oversight of a CMEG Exchange's activities in Ontario.

#### **Prompt Reporting**

14. Each CMEG exchange will notify staff of the Commission promptly of:
  - (a) any authorization to carry on business granted by the CFTC is revoked or suspended or made subject to terms or conditions on the CMEG Exchange's operations;
  - (b) the CMEG Exchange institutes a petition for a judgment of bankruptcy or insolvency or similar relief, or to wind up or liquidate the CMEG Exchange or has a proceeding for any such petition instituted against it;
  - (c) a receiver is appointed for the CMEG Exchange or the CMEG Exchange makes any voluntary arrangement with creditors;
  - (d) the CMEG Exchange is not in compliance with this Order or with any applicable requirements, laws or regulations of the CFTC where it is required to report such non-compliance to the CFTC;
  - (e) any known investigations of, or disciplinary action against, the CMEG Exchange by the CFTC or any other regulatory authority to which it is subject; and
  - (f) the CMEG Exchange makes any material change to the eligibility criteria for Ontario Users.

#### **Semi-Annual Reporting**

15. Each CMEG Exchange will maintain the following updated information and submit such information in a manner and form acceptable to the Commission on a semi-annual basis (by July 31 for the first half of the calendar year and by January 31 of the following year for the second half), and at any time promptly upon the request of staff of the Commission:
  - (a) a current list of all Ontario Users and whether the Ontario User is registered under Ontario securities laws or is exempt from or not subject to registration, and, to the extent known by the CMEG Exchange, other persons or companies located in Ontario trading as customers of participants (**Other Ontario Participants**);

- (b) to the extent provided to the CMEG Exchange, the legal entity identifier assigned to each Ontario User and to Other Ontario Participants in accordance with the standards set by the Global Legal Entity Identifier System;
- (c) a list of all Ontario Users against whom disciplinary action has been taken since the previous report by the CMEG Exchange, or, to the best of the CMEG Exchange's knowledge, by the CFTC with respect to such Ontario Users' activities on the CMEG Exchange and the aggregate number of disciplinary actions taken against all participants since the previous report by the CMEG Exchange;
- (d) a list of all active investigations since the previous report by the CMEG Exchange relating to Ontario Users and the aggregate number of active investigations since the previous report relating to all participants undertaken by the CMEG Exchange;
- (e) a list of all Ontario applicants for status as a participant who were denied such status or access to the CMEG Exchange since the previous report, together with the reasons for each such denial; and
- (f) for each product,
  - (i) the total trading volume and value originating from Ontario Users, and, to the extent known by the Applicant, from Other Ontario Participants, presented on a per Ontario User or per Other Ontario Participant basis; and
  - (ii) the proportion of worldwide trading volume and value on the Applicant conducted by Ontario Users, and, to the extent known by the Applicant, by Other Ontario Participants, presented in the aggregate for such Ontario Users and Other Ontario Participants;

provided in the required format.

**Information Sharing**

16. The CMEG Exchanges will provide information (including additional periodic reporting) as may be requested from time to time by, and otherwise cooperate with, the Commission or its staff, subject to any applicable privacy or other laws (including solicitor-client privilege) governing the sharing of information and the protection of personal information.

## **APPENDIX 1**

### **CRITERIA FOR EXEMPTION**

#### **PART 1 REGULATION OF THE EXCHANGE**

##### **1.1 Regulation of the Exchange**

The exchange is regulated in an appropriate manner in another jurisdiction by a foreign regulator (**Foreign Regulator**).

##### **Authority of the Foreign Regulator**

The Foreign Regulator has the appropriate authority and procedures for oversight of the exchange. This includes regular, periodic oversight reviews of the exchange by the Foreign Regulator.

#### **PART 2 GOVERNANCE**

##### **2.1 Governance**

The governance structure and governance arrangements of the exchange ensure:

- (a) effective oversight of the exchange,
- (b) that business and regulatory decisions are in keeping with its public interest mandate,
- (c) fair, meaningful and diverse representation on the board of directors (**Board**) and any committees of the Board, including:
  - (i) appropriate representation of independent directors, and
  - (ii) a proper balance among the interests of the different persons or companies using the services and facilities of the exchange,
- (d) the exchange has policies and procedures to appropriately identify and manage conflicts of interest, and
- (e) there are appropriate qualifications, remuneration, limitation of liability and indemnity provisions for directors, officers and employees of the exchange.

##### **Fitness**

The exchange has policies and procedures under which it will take reasonable steps, and has taken such reasonable steps, to ensure that each director and officer is a fit and proper person.

#### **PART 3 REGULATION OF PRODUCTS**

##### **3.1 Review and Approval of Products**

The products traded on the exchange and any changes thereto are reviewed by the Foreign Regulator, and are either approved by the Foreign Regulator or are subject to requirements established by the Foreign Regulator that must be met before implementation of a product or changes to a product.

##### **3.2 Product Specifications**

The terms and conditions of trading the products are in conformity with the usual commercial customs and practices for the trading of such products.

##### **3.3 Risks Associated with Trading Products**

The exchange maintains adequate provisions to measure, manage and mitigate the risks associated with trading products on the exchange including, but not limited to, margin requirements, intra-day margin calls, daily trading limits, price limits, position limits, and internal controls.

## **PART 4 ACCESS**

### **4.1 Fair Access**

- (a) The exchange has established appropriate written standards for access to its services including requirements to ensure
  - (i) participants are appropriately registered as applicable under Ontario securities laws or Ontario commodity futures laws, or exempted from these requirements,
  - (ii) the competence, integrity and authority of systems users, and
  - (iii) systems users are adequately supervised.
- (b) The access standards and the process for obtaining, limiting and denying access are fair, transparent and applied reasonably.
- (c) The exchange does not unreasonably prohibit, condition or limit access by a person or company to services offered by it.
- (d) The exchange does not
  - (i) permit unreasonable discrimination among participants, or
  - (ii) impose any burden on competition that is not reasonably necessary and appropriate.

## **PART 5 REGULATION OF PARTICIPANTS ON THE EXCHANGE**

### **5.1 Regulation**

The exchange has the authority, resources, capabilities, systems and processes to allow it to perform its regulation functions, whether directly or indirectly through a regulation services provider, including setting requirements governing the conduct of its participants, monitoring their conduct, and appropriately disciplining them for violations of exchange requirements.

## **PART 6 RULEMAKING**

### **6.1 Purpose of Rules**

- (a) The exchange has rules, policies and other similar instruments (**Rules**) that are designed to appropriately govern the operations and activities of participants.
- (b) The Rules are not contrary to the public interest and are designed to
  - (i) ensure compliance with applicable legislation,
  - (ii) prevent fraudulent and manipulative acts and practices,
  - (iii) promote just and equitable principles of trade,
  - (iv) foster co-operation and co-ordination with persons or companies engaged in regulating, clearing, settling, processing information with respect to, and facilitating transactions in the products traded on the exchange,
  - (v) provide a framework for disciplinary and enforcement actions, and
  - (vi) ensure a fair and orderly market.

## **PART 7 DUE PROCESS**

### **7.1 Due Process**

For any decision made by the exchange that affects a participant, or an applicant to be a participant, including a decision in relation to access, exemptions, or discipline, the exchange ensures that:

- (a) parties are given an opportunity to be heard or make representations, and
- (b) it keeps a record of, gives reasons for, and provides for appeals or reviews of its decisions.

## **PART 8 CLEARING AND SETTLEMENT**

### **8.1 Clearing Arrangements**

The exchange has appropriate arrangements for the clearing and settlement of transactions through a clearing house<sup>2</sup>.

### **8.2 Regulation of the Clearing House**

The clearing house is subject to acceptable regulation.

### **8.3 Authority of Regulator**

A foreign regulator has the appropriate authority and procedures for oversight of the clearing house. This includes regular, periodic regulatory examinations of the clearing house by the foreign regulator.

### **8.4 Access to the Clearing House**

- (a) The clearing house has established appropriate written standards for access to its services.
- (b) The access standards for clearing members and the process for obtaining, limiting and denying access are fair, transparent and applied reasonably.

### **8.5 Sophistication of Technology of Clearing House**

The exchange has assured itself that the information technology used by the clearing house has been adequately reviewed and tested and provides at least the same level of safeguards as required of the exchange.

### **8.6 Risk Management of Clearing House**

The exchange has assured itself that the clearing house has established appropriate risk management policies and procedures, contingency plans, default procedures and internal controls.

## **PART 9 SYSTEMS AND TECHNOLOGY**

### **9.1 Systems and Technology**

Each of the exchange's critical systems has appropriate internal controls to ensure completeness, accuracy, integrity and security of information, and, in addition, has sufficient capacity and business continuity plans to enable the exchange to properly carry on its business. Critical systems are those that support the following functions:

- (a) order entry,
- (b) order routing,
- (c) execution,
- (d) trade reporting,
- (e) trade comparison,
- (f) data feeds,
- (g) market surveillance,
- (h) trade clearing, and
- (i) financial reporting.

### **9.2 Information Technology Risk Management Procedures**

The exchange has appropriate risk management procedures in place including those that handle trading errors, trading halts and circuit breakers.

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<sup>2</sup> For the purposes of these criteria, "clearing house" also means a "clearing agency"

**PART 10 FINANCIAL VIABILITY**

**10.1 Financial Viability**

The exchange has sufficient financial resources for the proper performance of its functions and to meet its responsibilities.

**PART 11 TRANSPARENCY**

**11.1 Transparency**

The exchange has adequate arrangements to record and publish accurate and timely trade and order information. This information is provided to all participants on an equitable basis.

**PART 12 RECORD KEEPING**

**12.1 Record Keeping**

The exchange has and maintains adequate systems in place for the keeping of books and records, including, but not limited to, those concerning the operations of the exchange, audit trail information on all trades, and compliance with, and/or violations of exchange requirements.

**PART 13 OUTSOURCING**

**13.1 Outsourcing**

Where the exchange has outsourced any of its key services or systems to a service provider, it has appropriate and formal arrangements and processes in place that permit it to meet its obligations and that are in accordance with industry best practices.

**PART 14 FEES**

**14.1 Fees**

- (a) All fees imposed by the exchange are reasonable and equitably allocated and do not have the effect of creating an unreasonable condition or limit on access by participants to the services offered by the exchange.
- (b) The process for setting fees is fair and appropriate, and the fee model is transparent.

**PART 15 INFORMATION SHARING AND OVERSIGHT ARRANGEMENTS**

**15.1 Information Sharing and Regulatory Cooperation**

The exchange has mechanisms in place to enable it to share information and otherwise co-operate with the Commission, self-regulatory organizations, other exchanges, clearing agencies, investor protection funds, and other appropriate regulatory bodies.

**15.2 Oversight Arrangements**

Satisfactory information sharing and oversight agreements exist between the Ontario Securities Commission and the Foreign Regulator.

**PART 16 IOSCO PRINCIPLES**

**16.1 IOSCO Principles**

To the extent it is consistent with the laws of the foreign jurisdiction, the exchange adheres to the standards of the International Organisation of Securities Commissions (**IOSCO**) including those set out in the "Principles for the Regulation and Supervision of Commodity Derivatives Markets" (2011).

**B.2.2 B2Gold Back River Corp. (formerly Sabina Gold & Silver Corp.)**

Saskatchewan, Manitoba, Quebec, New Brunswick, Nova Scotia, Prince Edward Island, Newfoundland and Labrador, Yukon, Northwest Territories and Nunavut, and

**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.

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

**Applicable Legislative Provisions**

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

**May 9, 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  
B2GOLD BACK RIVER CORP.  
(FORMERLY SABINA GOLD & SILVER CORP.)  
(the Filer)  
  
ORDER**

**Background**

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

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

- (a) the British Columbia Securities Commission is the principal regulator for this application;
- (b) the Filer has provided notice that subsection 4C.5(1) of Multilateral Instrument 11-102 *Passport System* (MI 11-102) is intended to be relied upon in Alberta,

¶ 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 #: 2023/184



**B.2.3 wellteq Digital Health Inc.**

regulatory authority or regulator in Ontario.

**Headnote**

National Policy 11-206 Process for Cease to be a Reporting Issuer Applications – Application for an order that the issuer is not a reporting issuer under applicable securities laws – issuer has outstanding warrants and options exercisable into securities of the acquirer – warrant and option holders no longer require public disclosure in respect of the issuer – relief granted.

**Applicable Legislative Provisions**

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

**March 27, 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  
WELLTEQ DIGITAL HEALTH INC.  
(the Filer)**

**ORDER**

**Background**

¶ 1 The securities regulatory authority or regulator in each of the Jurisdictions (Decision Maker) has received an application from the Filer for an order under the securities legislation of the Jurisdictions (the Legislation) that the Filer has ceased to be a reporting issuer in all jurisdictions in 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, and
- (c) this order is the order of the principal regulator and evidences the decision of the securities

**Interpretation**

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

**Representations**

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

1. the Filer is a corporation existing under the laws of the Province of British Columbia;
2. the head and registered office of the Filer is located at 1100 - 1199 West Hastings Street, Vancouver, British Columbia, V6E 3T5;
3. at 12:01 a.m. (Pacific Time) on December 6, 2022 (the Effective Time), Advanced Human Imaging Ltd (now, Advanced Health Intelligence Ltd) (the Purchaser) completed the acquisition of all of the issued and outstanding common shares (the Filer Shares) of the Filer by way of a statutory plan of arrangement (the Arrangement) under the *Business Corporations Act* (British Columbia) pursuant to an arrangement agreement between the Filer and the Purchaser dated September 2, 2022;
4. the Purchaser was incorporated on October 1, 2014 under the *Corporations Act 2001* (Commonwealth); the common shares of the Purchaser (the Purchaser Shares) are listed on the Australian Securities Exchange under the symbol "AHI"; at the Effective Time, the Purchaser became a reporting issuer in each of British Columbia, Alberta and Ontario; as of February 8, 2023, the Purchaser is an "SEC foreign issuer" within the meaning of National Instrument 71-102 *Continuous Disclosure and Other Exemptions Related to Foreign Issuers*;
5. immediately prior to the Effective Time, the Filer had the following securities issued and outstanding: (i) 106,827,795 Filer Shares; (ii) 16,706,108 share purchase warrants (the Filer Warrants), each exercisable to purchase one Filer Share; (iii) 7,490,000 stock options (the Filer Options), each exercisable to purchase one Filer Share; and (iv) 2,453,172 compensation options of the Filer, each exercisable to purchase one unit of the Filer, with each unit consisting of one Filer Share and one-half of one

- Filer Warrant (the Filer Agent Compensation Options);
6. the Arrangement was approved by 100% of the votes cast by shareholders of the Filer at a meeting of shareholders of the Filer held on November 24, 2022 (the Meeting);
  7. the Filer distributed the meeting materials (the Meeting Materials) in respect of the Meeting (which included, among other things, the notice of meeting and the management information circular of the Filer) on October 27, 2022 to, among others, the holders of the Filer Shares in accordance with the interim order of the Supreme Court of British Columbia dated October 21, 2022 (the Interim Order); the Filer did not distribute the Meeting Materials to holders of Filer Warrants, Filer Options or Filer Agent Compensation Options as such holders did not have the right to receive the Meeting Materials pursuant to the Interim Order or the governing documents in respect of the Filer Warrants, the Filer Options or the Filer Agent Compensation Options; the Supreme Court of British Columbia granted the final order approving the Arrangement on November 30, 2022;
  8. pursuant to the Arrangement:
    - (a) the Purchaser acquired all of the outstanding Filer Shares and each holder of Filer Shares became entitled to receive 1/6 of one ordinary share in the capital of the Purchaser (a Purchaser Share) for each Filer Share so held (the Exchange Ratio) immediately prior to the Effective Time;
    - (b) all Filer Warrants outstanding immediately prior to the Effective Time remained outstanding immediately following the Effective Time and any Filer Warrants exercised following the Effective Time entitled the holders thereof to receive, for the same aggregate consideration, in lieu of Filer Shares such number of Purchaser Shares determined in accordance with the Exchange Ratio, on and subject to the terms and conditions of such Filer Warrants;
    - (c) all Filer Agent Compensation Options outstanding immediately prior to the Effective Time remained outstanding immediately following the Effective Time and
- any Filer Agent Compensation Options exercised following the Effective Time entitled the holders thereof to receive, in accordance with their terms and for the same aggregate consideration therefor: (i) in lieu of each Filer Share to which such holder was entitled upon exercise, such number of Purchaser Shares determined in accordance with the Exchange Ratio; and (ii) one-half of one Filer Warrant;
- (d) each holder of one Filer Warrant issued upon exercise of a Filer Agent Compensation Options would entitle the holder upon exercise, in accordance with its terms and for the same aggregate consideration therefor, to receive such number of Purchaser Shares determined in accordance with the Exchange Ratio; and
  - (e) at the Effective Time, all outstanding Filer Options were deemed to be unconditionally vested and exercisable, and such Filer Options were deemed to be assigned and transferred by the holders thereof to the Filer in exchange for a cash payment from the Filer equal to the positive difference, if any, between: (a) \$0.02134 and (b) the exercise price of each Filer Option, less applicable withholdings, and such Filer Option was immediately cancelled;
9. prior to the completion of the Arrangement, the Filer Shares were listed on the Canadian Securities Exchange (the CSE) under the symbol "WTEQ"; in connection with the Arrangement, the Filer Shares were delisted from the CSE as of the close of business on December 6, 2022;
  10. the Filer issued a news release on September 2, 2022 announcing the Arrangement and issued a news release on December 6, 2022 announcing the completion of the Arrangement, each of which included a statement that the Filer would submit an application to cease to be a reporting issuer under applicable Canadian securities laws;
  11. on March 19, 2023, all of the Filer Warrants and Filer Agent Compensation Options outstanding as of the Effective Date expired unexercised; as of March 20,

- 2023, all of the outstanding securities of the Filer, being the Filer Shares, are held by the Purchaser;
12. the Filer is a reporting issuer in each of British Columbia, Alberta and Ontario; the Filer is not in default of its obligations as a reporting issuer under the securities legislation of any jurisdiction, except that the Filer has not filed its interim financial report and accompanying management's discussion and analysis and related CEO and CFO certificates for the period
  13. ended December 31, 2022, which were required to be filed by March 1, 2023 (the Financial Statement Default);
  14. the Filer is not an OTC reporting issuer under Multilateral Instrument 51-105 *Issuers Quoted in the U.S. Over-the-Counter Markets*;
  15. the Filer is not eligible to use the simplified procedure under section 19 of National Policy 11-206 *Process for Cease to be a Reporting Issuer Applications* (NP 11-206) because of the Financial Statement Default; the Filer is not eligible to use the modified procedure under section 20 of NP 11-206 because, among other things, it is not incorporated under the laws of a foreign jurisdiction;
  16. 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;
  17. the Filer has no current intention to seek public financing by way of an offering of securities and has no intention of issuing any securities other than the issuance of securities to the Purchaser or its affiliates;
  18. the Filer is applying for an order that it has ceased to be a reporting issuer in all of the jurisdictions of Canada in which it is a reporting issuer; and
  19. upon granting of the Order Sought, the Filer will not be a reporting issuer or the equivalent in any jurisdiction of Canada.

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 #: 2022/0559

**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.

**B.2.4 Buffalo Coal Corp. – s. 1(6) of the OBCA**

**Headnote**

Applicant deemed to have ceased to be offering its securities to the public under the Business Corporations Act (Ontario).

**Statutes Cited**

Business Corporations Act, R.S.O. 1990, c. B.16 as am., s. 1(6).

**IN THE MATTER OF  
THE BUSINESS CORPORATIONS ACT (ONTARIO),  
R.S.O. 1990, c. B.16, AS AMENDED  
(the OBCA)**

**AND**

**IN THE MATTER OF  
BUFFALO COAL CORP.  
(the Applicant)**

**ORDER  
(Subsection 1(6) of the OBCA)**

**UPON** the application of the Applicant to the Ontario Securities Commission (the "**Commission**") for an order pursuant to subsection 1(6) of the OBCA to be deemed to have ceased to be offering its securities to the public;

**AND UPON** the Applicant representing to the Commission that:

1. The Applicant is an "offering corporation" as defined in subsection 1(1) of the OBCA;
2. The head office of the Applicant is located at GreyTown Road Industrial Area, Cnr Woodlands and Kelvin Drive, Dundee, KwaZulu-Natal 3000;
3. The Applicant has no intention to seek public financing by way of an offering of securities;
4. On April 28, 2023, the Applicant was granted an order (the **Reporting Issuer Order**) pursuant to subclause 1(10)(a)(ii) of the *Securities Act* (Ontario) that it is not a reporting issuer in Ontario and is not a reporting issuer or equivalent in any other jurisdiction in Canada in accordance with the simplified procedure set out in National Policy 11-206 *Process for Cease to be a Reporting Issuer Applications*; and
5. The representations set out in the Reporting Issuer Order continue to be true.

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

**IT IS HEREBY ORDERED** pursuant to subsection 1(6) of the OBCA that the Applicant be deemed to have ceased to be offering its securities to the public.

**DATED** at Toronto on this 10th day of May, 2023.

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

OSC File #: 2023/0176

**B.2.5 Hydel Inc.**

**Headnote**

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

**Applicable Legislative Provisions**

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

**Citation:** *Re Hydel Inc.*, 2023 ABASC 68

May 10, 2023

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

**AND**

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

**AND**

**IN THE MATTER OF  
HYDEL INC.  
(the Filer)**

**ORDER**

**Background**

The securities regulatory authority or regulator in each of the Jurisdictions (the **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 Alberta 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 British Columbia; 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 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

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.

"Timothy Robson"  
Manager, Legal  
Corporate Finance  
Alberta Securities Commission

OSC File #: 2023/0188

## B.2.6 Maxar Technologies Inc.

### Headnote

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

### Applicable Legislative Provisions

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

May 15, 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  
MAXAR TECHNOLOGIES INC.  
(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 British Columbia, Alberta Saskatchewan, Manitoba, Québec, New Brunswick, Nova Scotia, Prince Edward Island, and Newfoundland and Labrador.

### 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 #: 2023/0201

## B.3 Reasons and Decisions

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### B.3.1 IPH Limited and Smart & Biggar LLP/Smart & Biggar s.e.n.c.r.l.

#### Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Dual application for relief from the prospectus requirement for certain trades made in connection with an employee offering by an Australian issuer – The issuer cannot rely on the employee exemption in section 2.24 of National Instrument 45-106 Prospectus Exemptions as the securities are not being offered directly to its Canadian employees but rather to its affiliate's Canadian employees – Canadian participants will have access to disclosure documents – The issuer is subject to the supervision of the Australian Securities & Investments Commission – Canadian employees will not be induced to participate in the offering by expectation of employment or continued employment – There is no market for the securities of the issuer in Canada – Relief granted, subject to conditions.

#### Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 53 and 70.  
National Instrument 45-102 Resale of Securities, s. 2.15.  
National Instrument 45-106 Prospectus Exemptions, s. 2.24.  
OSC Rule 72-503 Distributions Outside Canada, s. 2.8(1).

[TRANSLATION]

March 7, 2023

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

AND

THE PROCESS FOR EXEMPTIVE RELIEF APPLICATIONS  
IN MULTIPLE JURISDICTIONS

AND

IPH LIMITED  
(IPH)  
AND

SMART & BIGGAR LLP/SMART & BIGGAR S.E.N.C.R.L.  
(New Legal LLP and, with IPH, the Filers)

DECISION

#### Background

The securities regulatory authority or regulator in each of the Jurisdictions (the **Decision Makers**) has received an application from the Filers for a decision under the securities legislation of the Jurisdictions (the **Legislation**) for an exemption from the prospectus requirement so that such requirement does not apply to the distribution by the Filer of Incentive Securities (as defined below) to Eligible Persons (as defined below) (the **Exemption Sought**).

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

- (a) the *Autorité des marchés financiers* (Quebec) is the principal regulator for this application;
- (b) the Filers have provided notice that section 4.7(1) of *Regulation 11-102 respecting Passport System*, CQLR, c. V-1.1, r. 1 (**Regulation 11-102**) is intended to be relied upon in British Columbia; and

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

### **Interpretation**

Terms defined in *Regulation 14-101 respecting Definitions*, CQLR, c. V-1.1, r. 3, *Regulation 11-202*, *Regulation 45-102 respecting Resale of Securities*, CQLR, c. V-1.1, r. 20 (**Regulation 45-102**) and *Regulation 45-106 respecting Prospectus Exemption*, CQLR, c. V-1.1, r. 21 (**Regulation 45-106**) 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:

1. IPH is a corporation incorporated under the laws of Australia.
2. IPH's fully paid ordinary shares (the **Ordinary Shares**) are listed and traded on the Australian Securities Exchange (the **ASX**) and entitle the holder to participate in dividends and the proceeds on the winding up of the company in proportion to the number of shares held.
3. IPH is not, and has no intention of becoming, a reporting issuer under the securities legislation of any jurisdiction of Canada. The head office of IPH is located in Australia. IPH is not in default of securities legislation in any jurisdiction of Canada.
4. IPH currently has no intention to list its securities on any stock exchange in Canada.
5. IPH is the holding company for a number of intellectual property and associated companies offering a wide range of intellectual property services and products.
6. On October 6, 2022, IPH acquired Smart & Biggar IP Agency Co., an Ontario general partnership carrying on a patent and trademark agency practice, and 49.9 % of the voting rights and 100 % of the economic interest (other than a fixed income allocation as described below) of New Legal LLP, who is continuing the affiliated legal practice formerly carried on through Smart & Biggar LLP, an Ontario limited liability partnership (together, the **Practice**).
7. The legal assets and practice of the Practice are now owned and carried on through New Legal LLP.
8. New Legal LLP is a limited liability partnership formed under the laws of Quebec having its head office based in Montreal, Quebec.
9. A separate Quebec limited partnership has been formed as of September 19, 2022, Smart & Biggar S.E.C./Smart & Biggar LP (**Agency LP**), which is now carrying on the patent and trademark agency business formerly conducted by Smart & Biggar IP Agency Co.
10. Voting control as to 50.1 % of New Legal LLP is held by four professional corporations as partners of New Legal LLP, each of which is 100 % owned and controlled by a former equity partner of the Practice, each of whom is also an individual qualified lawyer and receives a fixed income allocation from New Legal LLP through his professional corporation. Each individual qualified lawyer controlling the professional corporations are *de facto* partners of New Legal LLP, through his professional corporation, and such individuals are not employees of New Legal LLP.
11. IPH has, indirectly through Agency LP, voting rights as to 49.9 % and all of the economic interest (other than the fixed income allocation) in New Legal LLP. Agency LP, 100 % controlled by IPH, is also required to contribute all of the premises, assets, technology, financing and staff required by New Legal LLP to carry on the practice of law, other than the skill and expertise of qualified lawyers.
12. Current and future senior lawyers employed by New Legal LLP are entitled to receive as part of their incentive compensation, options or performance rights to subscribe for or be transferred Ordinary Shares (with the Ordinary Shares issued upon the exercise of such options and performance rights, the **Incentive Securities**) pursuant to IPH's Employee Incentive Plan (the **Plan**). The purpose of the Plan is to give eligible persons the opportunity to participate in the growth and profits of IPH and to attract, motivate and retain the services of eligible persons to promote the long-term success of IPH. The Plan has been established by IPH in compliance with all ASX-listed issuer rules and regulations.
13. The Plan is available for i) current and future senior lawyers employed by New Legal LLP (the **Eligible Persons**); ii) any employee of IPH and of any of its subsidiaries; iii) any non-executive director of IPH group; iv) any contractual or occasional employee engaged by IPH group to work the number of hours equivalent to 40 % or more of a comparable full-time position; and v) any person who is declared by the board of IPH to be eligible under the Plan.
14. As of January 16 2023, there are 14 Eligible Persons, of whom two Eligible Persons reside in Quebec, one Eligible Person resides in British Columbia and 11 Eligible Persons reside in Ontario. New Legal LLP currently has no intention to hire Eligible Persons outside of British Columbia, Ontario and Quebec.



### B.3: Reasons and Decisions

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15. IPH is not able to rely on the prospectus exemption set out in section 2.24 of Regulation 45-106 because the Eligible Persons are employees, executive officers or consultants of New Legal LLP, which does not meet the technical requirements to be a “related entity” of IPH within the meaning of section 2.22 of Regulation 45-106.
16. The prospectus exemption set out in section 2.3 of Regulation 45-106 may also not be available to IPH as it is anticipated that some of the Eligible Persons would not qualify as accredited investors.
17. As an ASX listed issuer, IPH is subject to a continuous disclosure regime.
18. Eligible Persons will have access to IPH’s public disclosure record on the ASX, and IPH will also send to each Eligible Person holding Ordinary Shares its annual report.
19. Eligible Persons will not be induced to participate in any distribution or exercise of Incentive Securities by expectation of employment or continued employment with New Legal LLP or another related entity of IPH.
20. As of the date hereof and after giving effect to any Incentive Securities offering pursuant to the Plan, IPH is and will be a “foreign issuer” as such term is defined in 2.15(1) of Regulation 45-102 and section 2.8(1) of *Ontario Securities Commission Rule 72-503 Distributions Outside Canada (OSC Rule 72-503)*.

#### Decision

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

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

- (a) before the issuance of Incentive Securities to an Eligible Person, New Legal LLP will obtain a statement from each Eligible Person acknowledging receipt of:
  - (i) a copy of this Decision; and
  - (ii) details as to how to access IPH’s public disclosure record.
- (b) at the time of any issuance of Incentive Securities to an Eligible Person, IPH will be a “public company” within the meaning of Australia’s *Corporations Act* (Cth), its securities will be quoted for trading on the ASX; and IPH will be in compliance with its continuous disclosure obligations under the *Corporations Act* (Cth) and the listing rules of the ASX;
- (c) the prospectus requirement will apply to the first trade of any Incentive Security acquired by an Eligible Person pursuant to this decision, unless the following conditions are met:
  - (i) the issuer of the security was a foreign issuer on the distribution date, as such term is defined in section 2.15(1) of Regulation 45-102 and section 2.8(1) of OSC Rule 72-503;
  - (ii) the issuer of the security:
    - (A) was not a reporting issuer in any jurisdiction of Canada at the distribution date, or
    - (B) is not a reporting issuer in any jurisdiction of Canada at the date of the trade; and
  - (iii) the first trade is made:
    - (A) through an exchange, or a market, outside of Canada, or
    - (B) to a person or company outside of Canada;
- (d) in the Province of Ontario, the prospectus exemption above, for the first trade in any Incentive Securities acquired by Eligible Persons pursuant to this decision, is not available with respect to any transaction or series of transactions that is part of a plan or scheme to avoid the prospectus requirements in connection with a trade to a person or company in Canada.

"Benoît Gascon"

Directeur principal du financement des sociétés  
Autorité des marchés financiers

OSC File #: 2022/0417

B.3.2 Emerge Canada Inc. – s. 31

IN THE MATTER OF  
STAFF'S RECOMMENDATION TO SUSPEND  
THE REGISTRATION OF  
EMERGE CANADA INC.

OPPORTUNITY TO BE HEARD  
BY THE DIRECTOR  
UNDER SECTION 31 OF THE *SECURITIES ACT* (ONTARIO),  
R.S.O. 1990, c. S.5, AS AMENDED

**Decision**

1. For the reasons set out below, following an opportunity to be heard (the **OTBH**), under section 31 of the Securities Act (Ontario) (the **Act**), it is my decision that the registrations under the Act of Emerge Canada Inc., (**Emerge Canada**) in the categories of investment fund manager, portfolio manager and exempt market dealer be suspended, and that, before that suspension takes effect, the interim terms and conditions set out in the accompanying Schedule A be imposed on each of those registrations in order to restrict Emerge Canada from conducting any registrable activities except as may be necessary for an orderly wind-down of its current business as a registered firm.
2. My decision is based on the written submissions of Mark Skuce, Senior Legal Counsel and Joyce Taylor, Senior Legal Counsel, of the Compliance and Registrant Regulation Branch (**CRR**), counsel for staff of the Ontario Securities Commission (the **OSC** or the **Commission**), and Maureen Doherty of Borden Ladner Gervais LLP, counsel for Emerge Canada.

**Background**

3. Staff of the OSC (**Staff**) has recommended that the registration of Emerge Canada be suspended, and that before this suspension takes effect, terms and conditions be imposed on Emerge Canada's registration requiring it to carry out an orderly wind down of its funds, on the basis that Emerge Canada has failed to comply with the working capital requirements that are applicable to it under section 12.1 of National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations* (**NI 31-103**). Emerge Canada currently manages two fund families that consist of 11 exchange traded funds (the **Emerge ETF Funds**) and 11 mutual funds (collectively, the **Emerge Funds**).
4. Emerge Canada has been calculating its excess working capital by including an amount (the **Related-party Receivable**) owed to it from Emerge Capital Management Inc. (**Emerge US**), a related-party incorporated in the United States. The Related-party Receivable was approximately \$4.5 million as of September 30, 2022 and approximately \$3.4 million as of March 31, 2023.
5. There have been two main questions at issue in this OTBH:
  - (a) Has Emerge Canada failed to comply with its minimum working capital requirements in NI 31-103?
  - (b) If Emerge Canada has failed to comply with its minimum working capital requirement, is a suspension of its registration the appropriate remedy?

**Law and Arguments of the Parties**

***Suitability for Continued Registration***

6. Section 28 of the Act states that:

The Director may revoke or suspend the registration of a person or company or impose terms and conditions of registration at any time during the period of registration of the person or company if it appears to the Director,

  - (a) that the person or company is not suitable for registration or has failed to comply with Ontario securities law; or
  - (b) that the registration is otherwise objectionable.
7. In *Sterling Grace & Co. Ltd.*, (2014), 37 OSCB. 8298, at para 147, the Commission said:

On its face, section 28 of the Act provides three bases for determining whether revocation or suspension of registration or imposition of terms and conditions are appropriate. The first basis is a determination that the person or company is not suitable for registration. The second is a determination that the person or company failed to comply with Ontario securities law. The third and last ground is a determination that the registration is

otherwise objectionable. These three tests, if met, are separate bases for a remedy. Thus, a finding that one of these bases has been met is sufficient grounds for revocation or suspension of registration or imposition of terms and conditions, although the decision is ultimately a discretionary one.

8. Section 27 of the Act, which describes how an applicant's suitability for registration is to be determined, states that to be suitable for registration, the firm or individual must satisfy "the requirements prescribed in the regulations relating to proficiency, solvency, and integrity."
9. In *Sterling Grace & Co.*, at para 148, the Commission indicated that an assessment of a registrant's suitability for ongoing registration under section 28 ought to be determined with reference to the same three criteria used in a suitability assessment under section 27.
10. Section 12.1 of NI 31-103 establishes minimum working capital requirements for registered firms. Subsections 12.1(1) and 12.1(2) state;

12.1 (1) If, at any time, the excess working capital of a registered firm, as calculated in accordance with Form 31-103F1 *Calculation of Excess Working Capital*, is less than zero, the registered firm must notify the regulator or, in Québec, the securities regulatory authority as soon as possible.

(2) The excess working capital of a registered firm, as calculated in accordance with Form 31-103F1 *Calculation of Excess Working Capital*, must not be less than zero for 2 consecutive days.

The full text of Form 31-103F1 *Calculation of Excess Working Capital* is reproduced in the accompanying Schedule B.

11. The maintenance of working capital by a registrant is a fundamental requirement of the registration regime. In *Re Pro-Financial Asset Management Inc.*, (2017), 40 OSCB 3903, at para. 170, the Commission stated as follows (with its footnotes omitted):

Previous decisions of Directors of the Commission have held that the working capital requirement is a fundamental feature of the registrant regulation regime as solvency is one of the three pillars of suitability for registration and that all registrants are required to meet the capital requirements of the Act. As stated by the Director in his decision in *Pente Investment Management Ltd., Re* (2006), 29 O.S.C.B. 6795 (Ont. Securities Comm.) ("*Pente*"):

Maintaining minimum free capital is a serious regulatory obligation placed on registrants. This requirement helps to protect investors from insolvency and fosters confidence in Ontario's capital markets.

(*Pente*, para 10)

Staff contends that Emerge Canada's failure to comply with its working capital obligations under section 12.1 of NI 31-103 is a breach of securities laws that calls into question its continued suitability for registration.

**Issue #1 - Has Emerge Canada failed to comply with its minimum working capital requirements in NI 31-103?**

12. By virtue of its registration as an investment fund manager, Emerge Canada is required under section 12.1(1), (2) and (3) to use a minimum capital of \$100,000 for the purposes of its calculation of excess working capital in accordance with Form 31-103F1 *Calculation of Excess Working Capital*.

***Categorization of Related-Party Receivable as a current asset***

13. In its September 30, 2022 Form 31-103F1, Emerge Canada categorized the Related-party Receivable of \$4,503,782 from Emerge US, in Line 1 of the Form, as a current asset. In order for the Related-party Receivable to be included as a current asset it must meet the definition of a current asset. "Current asset" is defined in paragraph 66 of the International Accounting Standard 1 Presentation of Financials Statements as follows:

An entity shall classify an asset as current when

- (a) it expects to realise the asset, or intends to sell or consume it, in its normal operating cycle;
- (b) it holds the asset primarily for the purpose of trading;
- (c) it expects to realise the asset within twelve months after the reporting period; or

- (d) the asset is cash or a cash equivalent (as defined in IAS 7) unless the asset is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

An entity shall classify all other assets as non-current.

(Affidavit of David Tong, Accountant in CRR ,sworn on January 31, 2023, at para.17)

14. In the case of Emerge Canada's Form 31-103F1, the relevant part of the above definition of a current asset is paragraph (c) — whether Emerge Canada expects to realize the Related-party Receivable within twelve months after the reporting period.
15. Staff contends that Emerge Canada is not able to consider the Related-party Receivable as a current asset because it is unable to realize this asset within twelve months after the reporting period because it is dependent upon the ability of Emerge US to pay the receivable, which has remained in dispute since Staff reviewed the September 30, 2022 unaudited financial statements of Emerge US.
16. The Related-party Receivable was \$136,360 in December 31, 2019, grew to approximately \$1.7 million by December 31, 2021, and then increased to approximately \$4.5 million by September 30, 2022.
17. Emerge Canada's financial statements for years ended December 31, 2020 and 2021, which were audited by its former auditor, BDO Canada LLP included the Related-party Receivable as a current asset without reservation in these audited financial statements. Based on this prior classification and in reliance on the audit of BDO Canada LLP, Emerge Canada has continued to treat the receivable as it did in prior years. However, in doing so, Emerge Canada has apparently, not considered the material change in the amount of the receivable in 2022 and 2023. There was a 155% change in the amount of the Related-party Receivable from December 2021 to September 2022 and a 93.4% change from December 2021 to March 2023.
18. I do not accept Emerge Canada's assertion that since the Related-party Receivable was included as a current asset in the last audited financial statements as at December 31, 2021, it could, on this basis, continue to include it as a current asset in subsequent unaudited financial statements. I don't find this reliance reasonable considering the material increases in the Related-party Receivable.
19. Emerge Canada made the demand that Emerge US pay the Related-party Receivable in December 2022. As of the date of this decision, Emerge US has not paid the receivable in full. Some deductions have been taken to offset the total; according to the March 31, 2023 unaudited balance sheet of Emerge Canada that it submitted to Staff on April 10, 2023, the Related-party Receivable was approximately \$3.4 million.
20. In any event, whether the Related-party Receivable has been correctly classified by Emerge Canada as a current asset in Line 1 of its Form 31-103F1, Line 2 of the Form requires any current asset that is "not readily convertible into cash" be excluded when calculating excess working capital in accordance with the Form.
21. My finding below that the Related-party receivable is "not readily convertible into cash", for the purposes of Line 2 of Form 31-103F1 makes it unnecessary for me to reach a conclusion on whether the Related-party Receivable has been correctly classified by Emerge Canada as a current asset in Line 1 of its Form 31-103F1 filings.

***Is the Related-party Receivable readily convertible into cash?***

22. The phrase "readily convertible into cash" is not defined in the Act. I accept that the determination of what assets satisfy the test of readily convertible into cash will depend upon the nature of the asset, the relevant circumstances and professional judgement. At the same time, however, in the absence of the phrase being assigned a specific meaning in NI 31-103, I interpret the term in a manner consistent with the ordinary, common sense meaning of the word "readily" and the financial solvency and liquidity objectives underlying the minimum working capital requirements of section 12.1 of NI 31-103.
23. The Concise Canadian Oxford Dictionary includes the following relevant definition for the word "readily": Easily, promptly; without difficulty.
24. In advance of introducing NI 31-103, the Canadian Securities Administrators described the purpose and importance of the capital requirements:

We regulate a firm's solvency by imposing capital and insurance requirements. The requirement to maintain a minimum level of capital is one of the tools that a regulator uses to monitor its market participants. The capital formula, as a regulatory tool, enables the regulator to achieve the following objectives:

- provide protection against insolvency due to liabilities exceeding the realizable value of assets

- provide protection to client assets and minimize disruption to clients
- ensure liquidity of a firm
- allow the regulators sufficient time to intervene to facilitate an orderly wind down, if necessary
- serve as a signal to the regulator that the market participant may have potential problems
- help in the assessment of the integrity of market participants and their fitness for registration.

(Canadian Securities Administrators, Notice and Request for Comment: Proposed National Instrument 31-103 *Registration Requirements*, Proposed Companion Policy 31-103CP *Registration Requirements*, Proposed Amendments to Multilateral Instrument 33-109 *Registration Information*, (2007) 30 OSCB (Supp-2), at p. 11)

25. Ms. Lisa Lake Langley is the Chief Executive Officer and Chief Compliance Officer for Emerge Canada. She is registered under the Act as the ultimate designated person and chief compliance officer of Emerge Canada; and as an advising representative and dealing representative for Emerge Canada. She is also President of Emerge US. In these circumstances, she should have intimate knowledge of the financial status and holdings of Emerge Canada and Emerge US.
26. Throughout Emerge Canada's submissions, Ms. Langley has indicated that Emerge US needs to raise funds in order to pay the receivable to Emerge Canada. Ms. Langley and Emerge US have made repeated attempts to raise funds, but to date no transaction has been completed that would fully discharge the Related-party receivable.
27. The submissions of counsel for Emerge Canada and Staff have identified various so far unsuccessful attempts by Emerge US to raise the funds it needs to pay Emerge Canada the amount it owes. The attempts include the following:
- (a) The potential sale of a stake in Emerge US to a venture capital company.
  - (b) On December 30, 2022, counsel for Emerge Canada informed Staff that Emerge US obtained a revolving line of credit for a maximum amount of US \$6 million from Universal Funding Group, a US based lending entity.
  - (c) On February 23, 2023, in a Supplementary Affidavit, Ms. Langley stated that a new financial arrangement was established. This arrangement is a loan by way of short-term bonds being transferred from a United Kingdom institutional investor, United General OpCo Ltd, to Emerge US in the amount of US\$5 Million. Upon its receipt of the bonds, Ms. Langley had stated that Emerge US "will redeem [the bonds] immediately to cash," and Emerge US will use the proceeds to repay the Related-party Receivable.
  - (d) On March 17, 2023, Emerge Canada and Emerge US entered into a Term Loan Agreement for US\$5 million from the United General OpCo Ltd. Emerge Canada advised that pursuant to the terms of the Term Loan Agreement on March 21, 2023, Emerge Canada will request monies to be advanced.
  - (e) Pursuant to the Term Loan Agreement, instead of receiving cash, Emerge US received a transfer of Antigua Barbuda government bonds. The bonds were available to Emerge US for trading as of April 11, 2023. Since the receipt of the bonds, Emerge US has been attempting to sell the bonds. The bonds are traded over-the-counter and Emerge US needs to locate an institutional buyer.
28. Emerge Canada submits that the International Accounting Standard 7 statements of cash flows provides that cash equivalents must be readily convertible to a known amount of cash and not be subject to a significant risk of a change in value. This standard provides that cash equivalents would have a short maturity of three months or less. Since the Related-party Receivable is not a cash equivalent, Emerge Canada contends that the timeframe in this instance for Emerge Canada to readily convert the asset to cash is between 3 and 12 months.
29. Emerge Canada does not currently have an auditor, nor does it have audited financial statements for its financial year ending December 31, 2022. For its calculation of its excess working capital, using its most recently submitted Form 31-103F1, as of September 30, 2022, it has not provided any evidence from an audit firm to support its characterization of the Related-party Receivable as a current asset, in Line 1-- or its decision to not exclude the Related-party Receivable as a current asset not readily convertible to cash, in accordance with Line 2.
30. From December, 2022 to the present, Ms. Langley has advised Staff of various attempts to raise the funds needed to pay the Related-party Receivable, but so far none of them have been completed. While there is no definition or timeline relating to the phrase "not readily convertible to cash," given the timeline that Emerge US has taken to raise the necessary funds to discharge the Related-party Receivable, I find that the timeline for the Related-party Receivable to be considered "readily convertible to cash" has been exceeded, and therefore this asset must be excluded in Emerge Canada's calculation of "excess working capital" in accordance with Form 31-103F1.

***Is Emerge Canada working capital deficient?***

31. Emerge Canada's September 30, 2022 Form 31-103F1 identified its excess working capital as being \$12,819, in Line 13. If the Related-party Receivable, which as of September 30, 2022 was \$4,503,782, had not been included in this amount — either on the basis that it was not a current asset or even if it was a current asset, it was not readily convertible to cash — this would have translated into an excess working capital deficit of (\$4,490,963), in Line 13. (Staff's January 31, 2023 submission, at paras 31, 32, and 33).
32. On April 10, 2023 and May 10, 2023, Emerge Canada provided unaudited financial statements as of March 31, 2023 and Form 31-103F1 working capital calculation as of March 31, 2023. In their Form 31-103 F1, Emerge Canada identified itself as having an excess working capital deficiency of \$1,466,863. Their calculated deficiency did not exclude the Related-party Receivable under Line 2 of the Form and did not reflected a 100% market risk reduction under Line 9 for the value of the 1.5 Million DIGau tokens held in the investment account.
33. Staff contends that the Line 9 market risk reduction for the DIGau tokens is 100%, pursuant to Schedule 1 of Form 31-103F1. Schedule 1 states that the market risk reduction for all other securities that are not otherwise described in Schedule 1 is 100%. This position is further supported by the following guidance published by the Canadian Securities Administrators on February 22, 2023, in CSA Staff Notice 21-232 *Crypto Asset Trading Platforms: Pre-Registration Undertakings – Changes to Enhance Canadian Investor Protection*:
- For the purpose of the minimum excess working capital requirement applicable to registered firms, CSA staff will expect a 100% reduction on all crypto assets which are not offset by a corresponding current liability, such as crypto assets held for the clients as collateral to guarantee obligations under crypto contracts.
- This will result in the exclusion of all the crypto assets held by the Crypto Asset Trading Platforms from the excess working capital calculation (Form 31-103F1).
- This provision is based on the fact that most crypto assets are speculative in nature and that their value is highly volatile. As a new class of assets, crypto assets have limited investment history which indicates that they may lose substantial, if not all, their value in a very short period. Crypto Asset Trading Platforms must consider those risk elements when calculating their excess working capital to ensure their solvency.
34. I agree with Staff that, Emerge Canada must reduce the value of the DIGau tokens held in the investment account by 100% to account for the market risk, based on the instructions in Schedule 1, which is also supported by the guidance in CSA Staff Notice 21-232.

***Findings on Issue #1***

35. Based on the foregoing, I find that Emerge Canada is working capital deficient and has failed to comply with, and remains in non-compliance with its minimum working capital requirements in section 12.1 of NI 31-103 and, consequently, has breached, and remains in breach, of Ontario securities law.

**Issue #2 - If Emerge Canada has failed to comply with the minimum working capital requirement, is a suspension of its registration the appropriate remedy?**

36. Staff contends that firms without sufficient working capital cannot be permitted to continue to operate for extended periods of time, without placing investors at risk and diminishing public confidence in Ontario's capital markets.
37. Staff submits that Emerge Canada's registration being suspended is an appropriate remedy for its non-compliance with its minimum working capital requirements in section 12.1 of NI 31-103 as it has no apparent reasonable prospect of bringing itself into compliance.
38. Staff raised the working capital deficiency with Emerge Canada on December 16, 2022, and estimates that Emerge Canada knew or ought to have known that it was working capital deficient in September, 2022 and was likely deficient at some point prior to September 30, 2022.
39. Emerge Canada's audited financial statements for its fiscal year ended December 31, 2021, included the following going concern statement:

**The Company's ability to continue as a going concern is dependent upon its ability to obtain adequate financing and the Company achieving a profitable level of operations to provide it with sufficient funds to operate the business and maintain minimum regulatory capital requirements.** If the Company is unable to obtain additional funding and obtain profitable levels of operations, the Company may be unable to continue to realize on its assets in the normal course and to discharge its liabilities in the normal course of business. (*Emphasis added*).

### **B.3: Reasons and Decisions**

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40. The Board of Directors of Emerge Canada authorized issuing its audited financial statements on July 28, 2022. Considering this, Emerge Canada should have known that it would required additional capital to operate its business and maintain regulatory working capital.
41. The standard used for financial reporting is fair representation of financial position and financial performance. Part 15 of International Accounting Standards 1 provides:

“financial statements shall present fairly the financial position, financial performance and cash flows of an entity. Fair presentation requires the faithful representation of the effect of transactions, other events, and condition in accordance with the definitions and recognition criteria for assets, liabilities, income and expenses set out in the Conceptual Framework for Financial Reporting....”
42. Staff estimates that Emerge Canada has been working capital deficient from at least September 2022.
43. Emerge Canada has failed to file its annual audited financial statements for its fiscal year ended December 31, 2022, which were required to be filed by March 31, 2023. Since April 6, 2023, the Emerge Funds are subject to a cease trade order for failing to file both their audited annual financial statements and the management report of fund performance for the year ended December 31, 2022. As a result, investors in the Emerge Funds are not able to access their investments; although the funds are still capable of being actively managed.
44. Emerge Canada submits that suspending the firm and requiring the wind-up of the Emerge ETFs is overly punitive and is unwarranted in the circumstances. Winding up the Emerge ETFs would not be in the best interest of the unitholders because Emerge Canada owes a receivable of approximately \$5.5 million to the Emerge Ark ETFs and Emerge Canada is not able to pay the receivable it owes to the Emerge Ark ETFs until Emerge US pays the Related-Party Receivable in full. Also, forcing a sale of the assets of the funds may occur at liquidation values.
45. Emerge Canada further contends that suspension is not warranted because it is a relatively new registrant and it fills a unique niche in the ETF market. It is North America’s first all-women investment team managing innovative and socially responsible investment strategies. Also, the forced liquidation of the Emerge ETFs could have reputational damage not only to Emerge Canada but to other small ETF providers and ETFs in general. In addition, the current market for obtaining financing is difficult.

#### ***Alternative Terms and Conditions***

46. I requested that Staff and Emerge Canada provide terms and conditions that I could consider as an alternative to suspending Emerge Canada’s registration.
47. Emerge Canada proposed monitoring terms and conditions.
48. Staff contends that monitoring terms and conditions are typically applied after working capital deficiencies are cured and the registrant has met its regulatory obligations. They are not applied to facilitate on-going working capital deficiency breaches.
49. Staff submits that alternative terms and conditions to permit more than a wind-down of its operations would be equivalent to exempting Emerge Canada from its legal requirements by substituting lesser ones without an exemptive relief application and without the benefit of the analysis of the exemptive relief application process.
50. Staff submits that any terms and conditions other than the wind-down terms and conditions originally proposed by Staff would amount to “shoring up” an otherwise objectionable registrant.
51. In my request for alternative terms and conditions to consider, I had suggested some minimum terms and conditions with specific actions to be taken and requested that other possible terms and conditions be provided for my consideration. Emerge Canada did not provide specific dates by which the suggested actions would be completed or proposed any other terms and conditions.

#### **Findings on Issue #2**

52. Maintenance of working capital is a fundamental requirement of registration. Proficiency, solvency, and integrity are the three cornerstone principles to consider in assessing suitability for registration. Therefore, I agree with Staff that registrants without sufficient working capital cannot be permitted to continue to operate for extended periods of time, without placing investors at risk and diminishing public confidence in Ontario’s capital markets.
53. In these circumstances, I am satisfied that suspension of registration is an appropriate remedy to address non-compliance by Emerge Canada with its working capital requirements and that an additional finding of otherwise objectionable is not necessary.

### B.3: Reasons and Decisions

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54. I find that Emerge Canada has been provided ample opportunity to remedy its working capital deficiency. Moreover, I am satisfied that even if the Related-party Receivable is paid in full, Emerge Canada will remain working capital deficient, unless other working capital that qualifies for inclusion in the calculation of its excess working capital in accordance with Form 31-103F1 is obtained.
55. While I applaud the fact that Emerge is breaking ground as North America's first all-women investment team managing innovative and socially responsible investment strategies, it did not form any part of my decision as the regulatory requirements apply equally to all registrants, in the absence of specific exemptions.
56. Based on my findings, Emerge Canada is in breach of Ontario securities law. It continues to be working capital deficient, and there is no timeline or certainty as to when Emerge Canada will bring itself into compliance with the working capital obligations or whether Emerge Canada will have sufficient working capital if and when the Related-party Receivable is realized.

#### Conclusion

57. Based on the foregoing, I accept Staff's recommendation to: (a) suspend Emerge Canada's registration in the categories of investment fund manager, portfolio manager and exempt market dealer; and (b) before that suspension takes effect, to impose interim terms and conditions on the registration of Emerge Canada that restrict the registerable activities that it may conduct.
58. I have, however, in this Decision, modified, the interim terms and conditions proposed by Staff. Staff had recommended that Emerge Canada not be permitted to conduct any registerable activity except as may be necessary for an orderly wind-down of all funds currently managed by it, and that Emerge Canada act promptly to wind-down those funds in accordance with their constating documents. The terms and conditions set out in the accompanying Schedule A to this Decision, which I am imposing, contemplate the possibility of Emerge Canada, as part of the wind-down of its business as a registered firm, making prompt arrangements for another appropriately registered firm(s) to assume responsibility for the registerable activities currently being performed by Emerge Canada in respect of the funds (provided, of course, these arrangements are carried out in accordance with the constating documents of the funds and applicable laws).
59. It is my decision to impose the terms and conditions set out in the accompanying Schedule A, which I direct Staff to implement.

"Debra Foubert", J.D.  
Director, Compliance and Registrant Regulation Branch  
Ontario Securities Commission

May 10, 2023



## SCHEDULE A

### Terms and Conditions of Registration

The registration of Emerge Canada Inc. (the **Registrant**) is subject to the terms and conditions set out below. These terms and conditions were imposed by the Director pursuant to section 28 of the *Securities Act*, R.S.O. 1990, c. S.5, as amended.

1. The Registrant shall not conduct any registerable activity except as may be necessary for a prompt and an orderly wind-down of its current business as a registered firm.
2. Since its current business includes managing exchange traded funds and mutual funds, the Registrant shall act promptly to determine the impact of condition 1 on the continued operation of the funds managed by it, including whether a wind-down of the funds in accordance with their constating documents will be necessary.
3. The Registrant shall provide updates to the Deputy Director or Manager in the Compliance and Registrant Regulation Branch of the Ontario Securities Commission (OSC Manager) respecting its progress in addressing the above conditions in such form and at such times as may be required by the OSC Manager.
4. After the OSC Manager has informed the Registrant in writing that the OSC Manager is satisfied that the Registrant has wound down its business as a registered firm, the registration of the Registrant is suspended.

*These terms and conditions of registration constitute Ontario securities law, and a failure by the Registrant to comply with these terms and conditions may result in further regulatory action against the Registrant.*

SCHEDULE B

Ontario Securities Commission  
 Form 31-103F1  
 Unofficial consolidation current to 2018-06-12  
 This document is not an official statement of law or policy and should be used for reference purposes only.

FORM 31-103F1

**CALCULATION OF EXCESS WORKING CAPITAL**

Firm Name  
 Capital Calculation

(as at \_\_\_\_\_ with comparative figures as at \_\_\_\_\_ )

	Component	Current period	Prior period
1.	Current assets		
2.	Less current assets not readily convertible into cash (e.g., prepaid expenses)		
3.	Adjusted current assets Line 1 minus line 2 =		
4.	Current liabilities		

**B.3: Reasons and Decisions**

Form 31-103F1 (continued)

	<b>Component</b>	<b>Current period</b>	<b>Prior period</b>
5.	Add 100% of non-current related party debt unless the firm and the lender have executed a subordination agreement in the form set out in Appendix B of National Instrument 31-103 <i>Registration Requirements, Exemptions and Ongoing Registrant Obligations</i> and the firm has delivered a copy of the agreement to the regulator or, in Québec, the securities regulatory authority. See section 12.2 of National Instrument 31-103 <i>Registration Requirements, Exemptions and Ongoing Registrant Obligations</i> .		
6.	Adjusted current liabilities Line 4 plus line 5 =		
7.	Adjusted working capital Line 3 minus line 6 =		
8.	Less minimum capital		
9.	Less market risk		
10.	Less any deductible under the bonding or insurance policy required under Part 12 of National Instrument 31-103 <i>Registration Requirements, Exemptions and Ongoing Registrant Obligations</i> or, in Québec, for a firm registered only in that jurisdiction and solely in the category of mutual fund dealer, less the deductible under the liability insurance required under section 193 of the Québec Securities Regulation		
11.	Less Guarantees		
12.	Less unresolved differences		
13.	<b>Excess working capital</b>		

Form 31-103F1 (continued)

**Notes:**

Form 31-103F1 *Calculation of Excess Working Capital* must be prepared using the accounting principles that you use to prepare your financial statements in accordance with National Instrument 52107 *Acceptable Accounting Principles and Auditing Standards*. Section 12.1 of Companion Policy 31-103CP *Registration Requirements, Exemptions and Ongoing Registrant Obligations* provides further guidance in respect of these accounting principles.

**Line 5. Related-party debt** – Refer to the CICA Handbook for the definition of "related party" for publicly accountable enterprises. The firm is required to deliver a copy of the executed subordination agreement to the regulator or, in Québec, the securities regulatory authority on the earlier of a) 10 days after the date the agreement is executed or b) the date an amount subordinated by the agreement is excluded from its calculation of excess working capital on Form 31-103F1 *Calculation of Excess Working Capital*. **The firm must notify the regulator or, in Québec, the securities regulatory authority, 10 days before it repays the loan (in whole or in part), or terminates the subordination agreement.** See section 12.2 of National Instrument 31-103 *Registration Requirements Exemptions and Ongoing Registrant Obligations*.

**Line 8. Minimum Capital** – The amount on this line must be not less than (a) \$25,000 for an adviser and (b) \$50,000 for a dealer. For an investment fund manager, the amount must be not less than \$100,000 unless subsection 12.1(4) of National Instrument 31-103 *Registration Requirements Exemptions and Ongoing Registrant Obligations* applies.

**Line 9. Market Risk** – The amount on this line must be calculated according to the instructions set out in Schedule 1 to Form 31-103F1 *Calculation of Excess Working Capital*. A schedule supporting the calculation of any amounts included in Line 9 as market risk should be provided to the regulator or, in Québec, the securities regulatory authority in conjunction with the submission of Form 31-103F1 *Calculation of Excess Working Capital*.

**Line 11. Guarantees** – If the registered firm is guaranteeing the liability of another party, the total amount of the guarantee must be included in the capital calculation. If the amount of a guarantee is included in the firm's statement of financial position as a current liability and is reflected in line 4, do not include the amount of the guarantee on line 11.

**Line 12. Unresolved differences** – Any unresolved differences that could result in a loss from either firm or client assets must be included in the capital calculation. The examples below provide guidance as to how to calculate unresolved differences:

- (i) If there is an unresolved difference relating to client securities, the amount to be reported on Line 12 will be equal to the fair value of the client securities that are short, plus the applicable margin rate for those securities.
- (ii) If there is an unresolved difference relating to the registrant's investments, the amount to be reported on Line 12 will be equal to the fair value of the investments (securities) that are short.
- (iii) If there is an unresolved difference relating to cash, the amount to be reported on Line 12 will be equal to the amount of the shortfall in cash.

Please refer to section 12.1 of Companion Policy 31-103CP *Registration Requirements, Exemptions and Ongoing Registrant Obligations* for further guidance on how to prepare and file Form 31-103F1 *Calculation of Excess Working Capital*.

**B.3: Reasons and Decisions**

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Form 31-103F1 (continued)

**Management Certification**

**Registered Firm Name:** \_\_\_\_\_

We have examined the attached capital calculation and certify that the firm is in compliance with the capital requirements as at \_\_\_\_\_.

Name and Title	Signature	Date
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

Form 31-103F1 (continued)

**Schedule 1 of Form 31-103F1 Calculation of Excess Working Capital  
(calculating line 9 [market risk])**

For purposes of completing this form:

- (1) "Fair value" means the value of a security determined in accordance with Canadian GAAP applicable to publicly accountable enterprises.
- (2) For each security whose value is included in line 1, Current Assets, multiply the fair value of the security by the margin rate for that security set out below. Add up the resulting amounts for all of the securities you hold. The total is the "market risk" to be entered on line 9.

**(a) Bonds, Debentures, Treasury Bills and Notes**

- (i) Bonds, debentures, treasury bills and other securities of or guaranteed by the Government of Canada, of the United Kingdom, of the United States of America or of any other national foreign government (provided those foreign government securities have a current credit rating described in subparagraph (i.1)) maturing (or called for redemption):

within 1 year: 1% of fair value multiplied by the fraction determined by dividing the number of days to maturity by 365

over 1 year to 3 years: 1 % of fair value

over 3 years to 7 years: 2% of fair value

over 7 years to 11 years: 4% of fair value

over 11 years: 4% of fair value

- (i.1) A credit rating from a designated rating organization listed below, from a DRO affiliate of an organization listed below, from a designated rating organization that is a successor credit rating organization of an organization listed below or from a DRO affiliate of such successor credit rating organization, that is the same as one of the following corresponding rating categories or that is the same as a category that replaces one of the following corresponding rating categories:

<b>Designated Rating Organization</b>	<b>Long Term Debt</b>	<b>Short Term Debt</b>
DBRS Limited	AAA	R-1(high)
Fitch Ratings, Inc.	AAA	F1+
Moody's Canada Inc.	Aaa	A-1+
S&P Global Ratings Canada	AAA	A-1+

- (ii) Bonds, debentures, treasury bills and other securities of or guaranteed by any jurisdiction of Canada and obligations of the International Bank for Reconstruction and Development, maturing (or called for redemption):

### B.3: Reasons and Decisions

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Form 31-103F1 (continued)

within 1 year:	2% of fair value multiplied by the fraction determined by dividing the number of days to maturity by 365
over 1 year to 3 years:	3 % of fair value
over 3 years to 7 years:	4% of fair value
over 7 years to 11 years:	5% of fair value
over 11 years:	5% of fair value

(iii) Bonds, debentures or notes (not in default) of or guaranteed by any municipal corporation in Canada or the United Kingdom maturing:

within 1 year:	3% of fair value multiplied by the fraction determined by dividing the number of days to maturity by 365
over 1 year to 3 years:	5 % of fair value
over 3 years to 7 years:	5% of fair value
over 7 years to 11 years:	5% of fair value
over 11 years:	5% of fair value

(iv) Other non-commercial bonds and debentures, (not in default): 10% of fair value

(v) Commercial and corporate bonds, debentures and notes (not in default) and non-negotiable and non-transferable trust company and mortgage loan company obligations registered in the registered firm's name maturing:

within 1 year:	3% of fair value
over 1 year to 3 years:	6 % of fair value
over 3 years to 7 years:	7% of fair value
over 7 years to 11 years:	10% of fair value
over 11 years:	10% of fair value

**(b) Bank Paper**

Deposit certificates, promissory notes or debentures issued by a Canadian chartered bank (and of Canadian chartered bank acceptances) maturing:

within 1 year:	2% of fair value multiplied by the fraction determined by dividing the number of days to maturity by 365
over 1 year:	apply rates for commercial and corporate bonds, debentures and notes

**(c) Acceptable foreign bank paper**

Deposit certificates, promissory notes or debentures issued by a foreign bank, readily negotiable and transferable and maturing:

### B.3: Reasons and Decisions

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Form 31-103F1 (continued)

- within 1 year: 2% of fair value multiplied by the fraction determined by dividing the number of days to maturity by 365
- over 1 year: apply rates for commercial and corporate bonds, debentures and notes

"Acceptable Foreign Bank Paper" consists of deposit certificates or promissory notes issued by a bank other than a Canadian chartered bank with a net worth (i.e., capital plus reserves) of not less than \$200,000,000.

#### (d) Mutual Funds

Securities of mutual funds qualified by prospectus for sale in any jurisdiction of Canada:

- (i) 5% of the net asset value per security as determined in accordance with National Instrument 81-106 *Investment Fund Continuous Disclosure*, where the fund is a money market mutual fund as defined in National Instrument 81-102 *Investment Funds*; or
- (ii) the margin rate determined on the same basis as for listed stocks multiplied by the net asset value per security of the fund as determined in accordance with National Instrument 81-106 *Investment Fund Continuous Disclosure*.

Securities of mutual funds qualified by prospectus for sale in the United States of America: 5% of the net asset value per security if the fund is registered as an investment company under the *Investment Company Act of 1940*, as amended from time to time, and complies with Rule 2a-7 thereof.

#### (e) Stocks

In this paragraph, "securities" includes rights and warrants and does not include bonds and debentures.

- (i) On securities including investment fund securities, rights and warrants, listed on any exchange in Canada or the United States of America:

Long Positions – Margin Required

- Securities selling at \$2.00 or more – 50% of fair value
- Securities selling at \$1.75 to \$1.99 – 60% of fair value
- Securities selling at \$1.50 to \$1.74 – 80% of fair value
- Securities selling under \$1.50 – 100% of fair value

Short Positions – Credit Required

- Securities selling at \$2.00 or more – 150% of fair value
- Securities selling at \$1.50 to \$1.99 – \$3.00 per share
- Securities selling at \$0.25 to \$1.49 – 200% of fair value



### B.3: Reasons and Decisions

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Form 31-103F1 (continued)

Securities selling at less than \$0.25 – fair value plus \$0.25 per share

- (ii) For positions in securities that are constituent securities on a major broadly-based index of one of the following exchanges, 50% of the fair value:
  - (a) Australian Stock Exchange Limited
  - (b) Bolsa de Madrid
  - (c) Borsa Italiana
  - (d) Copenhagen Stock Exchange
  - (e) Euronext Amsterdam
  - (f) Euronext Brussels
  - (g) Euronext Paris S.A.
  - (h) Frankfurt Stock Exchange
  - (i) London Stock Exchange
  - (j) New Zealand Exchange Limited
  - (k) Stockholm Stock Exchange
  - (l) SIX Swiss Exchange
  - (m) The Stock Exchange of Hong Kong Limited
  - (n) Tokyo Stock Exchange
- (f) **Mortgages**
  - (i) For a firm registered in any jurisdiction of Canada except Ontario:
    - (a) Insured mortgages (not in default): 6% of fair value
    - (b) Mortgages which are not insured (not in default): 12% of fair value.
  - (ii) For a firm registered in Ontario:
    - (a) Mortgages insured under the *National Housing Act* (Canada) (not in default): 6% of fair value
    - (b) Conventional first mortgages (not in default): 12% of fair value.

If you are registered in Ontario regardless of whether you are also registered in another jurisdiction of Canada, you will need to apply the margin rates set forth in (ii) above.
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**B.3: Reasons and Decisions**

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Form 31-103F1 (continued)

**(g) For all other securities – 100% of fair value.**

### B.3.3 Pembroke Private Wealth Management Ltd. and Pembroke Dividend Growth Fund

#### Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Relief granted from 15.3(2), 15.6(1)(a)(i) and 15.6(1)(d) of National Instrument 81-102 Investment Funds to permit a mutual fund, that has not distributed securities under a simplified prospectus in a jurisdiction for 12 consecutive months, to include in their sales communications performance data for the period when the fund was not a reporting issuer – relief also granted from section 2.1 of National Instrument 81-101 Mutual Fund Prospectus Disclosure for the purposes of the relief requested from Item 5 of Part I of Form 81-101F3 Contents of Fund Facts Document, to permit the mutual fund to include in its fund facts, the past performance data for the period when the fund was not a reporting issuer.

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Relief granted from section 4.4 of National Instrument 81-106 Investment Fund Continuous Disclosure for the purposes of the relief requested from Form 81-106F1 Contents of Annual and Interim Management Report of Fund Performance, items 3.1(7), 4.1(1), 4.1(2), 4.2(1), 4.3(1) and 4.3(2) of Part B of Form 81-106F1, and Items 3(1) and 4 of Part C of Form 81-106F1, to permit a mutual fund to include in annual and interim management reports of fund performance the financial highlights and past performance of the fund that are derived from the fund's annual financial statements that pertain to time periods when the fund was not a reporting issuer.

#### Applicable Legislative Provisions

National Instrument 81-102 Investment Funds, ss. 15.3(2), 15.6(1)(a)(i), 15.6(1)(d), and 19.1.

National Instrument 81-101 Mutual Fund Prospectus Disclosure, s. 2.1.

Form 81-101F3 Contents of Fund Facts Document, Item 5 of Part I.

National Instrument 81-106 Investment Fund Continuous Disclosure, s. 4.4.

Form 81-106F1 Contents of Annual and Interim Management Report of Fund Performance, Items 3.1(7), 4.1(1), 4.1(2), 4.2(1), 4.3(1) and 4.3(2) of Part B and Items 3(1) and 4 of Part C.

April 13, 2023

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

**AND**

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

**AND**

**IN THE MATTER OF  
PEMBROKE PRIVATE WEALTH MANAGEMENT LTD.  
(the Filer)**

**AND**

**IN THE MATTER OF  
THE PEMBROKE DIVIDEND GROWTH FUND  
(the Fund)**

**DECISION**

#### Background

The securities regulatory authority or regulator in each of the Jurisdictions (the **Decision Maker**) has received an application (the **Application**) from the Filer on behalf of the Fund for a decision under the securities legislation of the Jurisdictions (the **Legislation**) exempting units of the Fund from:

- (a) Sections 15.3(2), 15.6(1)(a)(i) and 15.6(1)(d)(i) of *Regulation 81-102 respecting Investment Funds*, CQLR, c. V-1.1, r. 39 (**Regulation 81-102**) to permit the Fund to include performance data in sales communications notwithstanding that:
  - (i) the performance data will relate to a period prior to the Fund offering its securities under a simplified prospectus; and

- (ii) the Fund has not distributed its securities under a simplified prospectus for 12 consecutive months,
- (b) Section 2.1 of *Regulation 81-101 respecting Mutual Fund Prospectus Disclosure*, CQLR, c. V-1.1, r.38 (**Regulation 81-101**) to meet the requirements from Form 81-101F3 *Contents of Fund Facts Document (Form 81-101F3)*, and
- (c) Items 5(1.1), 5(2), 5(3) and 5(4) and Instruction (1) of Part I of Form 81-101F3 in respect of the requirement to comply with sections 15.3(2), 15.6(1)(a)(i) and 15.6(1)(d)(i) of Regulation 81-102 to permit the Fund to include in its fund facts the past performance data of the Fund notwithstanding that:
  - (i) such performance data relates to a period prior to the Fund offering its securities under a simplified prospectus; and
  - (ii) the Fund has not distributed its securities under a simplified prospectus for 12 consecutive months,
- (d) Section 4.4 of *Regulation 81-106 respecting Investment Fund Continuous Disclosure*, CQLR, c. V-1.1, r. 42 (**Regulation 81-106**) from Form 81-106F1 *Contents of Annual and Interim Management Report of Fund Performance (Form 81-106F1)*; and
- (e) Items 3.1(7), 4.1(1) (in respect of the requirement to comply with section 15.3(2) of Regulation 81-102), 4.1(2), 4.2(1), 4.3(1) and 4.3(2) of Part B of Form 81-106F1 and Items 3(1) and 4 of Part C of Form 81-106F1 to permit the Fund to include, in its annual and interim management reports of fund performance (**MRFPs**), past performance data notwithstanding that such performance data relates to a period prior to the Fund offering its securities under a simplified prospectus.

(collectively, the **Exemption Sought**).

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

- (a) the Autorité des marchés financiers is the principal regulator for this Application,
- (b) the Filer has provided notice that section 4.7(1) of *Regulation 11-102 respecting Passport System*, CQLR, c. V-1.1, r. 1 (**Regulation 11-102**) is intended to be relied upon by the Filer in the following jurisdictions: Alberta, British Columbia, Prince Edward Island, Manitoba, New Brunswick, Nova Scotia, Saskatchewan and Newfoundland and Labrador (collectively with the Jurisdictions, the **Jurisdictions of Canada**); and
- (c) the decision is the decision of the principal regulator and evidences the decision of the securities regulatory authority or regulator in Ontario.

### **Interpretation**

Terms defined in *Regulation 14-101 respecting Definitions*, CQLR, c. V-1.1, r. 3 and Regulation 11-102 have the same meaning if used in this decision, unless otherwise defined.

### **Representations**

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

1. The Fund is an open-ended mutual fund trust created under the laws of Ontario on January 1, 2012.
2. The Filer's head office is in Quebec.
3. The Filer is registered under securities legislation in Quebec, Ontario and Newfoundland and Labrador as an investment fund manager and in Quebec, Alberta, British Columbia, Prince Edward Island, Manitoba, New Brunswick, Nova Scotia, Ontario, Saskatchewan and Newfoundland and Labrador as a dealer in the category of mutual fund dealer. The Filer is the investment fund manager, promoter and trustee of the Fund.
4. Pembroke Management Ltd., a registered portfolio manager in Quebec, Alberta, British Columbia, Manitoba and Ontario, has been appointed as the portfolio manager of the Fund. Since the Fund commenced operations, Pembroke Management Ltd. has been the portfolio manager of the Fund.
5. Units of the Fund were previously only distributed to investors in the Jurisdictions of Canada on a prospectus-exempt basis in accordance with *Regulation 45-106 respecting Prospectus Exemptions*, CQLR, V-1.1, r. 21.
6. In order to commence distributing its units pursuant to a simplified prospectus, the Fund filed on March 30, 2023 a preliminary simplified prospectus as well as fund facts. Upon the issuance of a receipt for the final simplified prospectus

(the **Prospectus**) of the Fund, the Fund will become a reporting issuer in each of the Jurisdictions of Canada and will become subject to the requirements of Regulation 81-102 and Regulation 81-106.

7. The Filer and the Fund are not in default of securities legislation in any of the Jurisdictions of Canada.
8. Since the Fund commenced operations as a mutual fund, it has complied with its obligation to prepare and send audited annual and unaudited interim financial statements to all holders of its securities in accordance with Regulation 81-106.
9. Since the Fund commenced operations, it has complied with the investment restrictions and practices contained in Regulation 81-102, including not using leverage in the management of its portfolio.
10. Since the Fund commenced operations, the Fund has not paid any management fees to the Filer and such fees have been paid directly by investors in the Fund. This will continue to be the case after the Fund becomes a reporting issuer.
11. The Fund will be managed substantially similarly after it becomes a reporting issuer as it was prior to becoming a reporting issuer. As a result of the Fund becoming a reporting issuer:
  - a) the Fund's investment objectives will not change, other than to provide additional detail as required by Regulation 81-101;
  - b) the day-to-day administration of the Fund in respect of its units will not change other than to comply with the additional regulatory requirements associated with being a reporting issuer (none of which impact the portfolio management of the Fund) and to provide additional features that are available to investors of mutual funds managed by the Filer, as described in the Prospectus; and
  - c) the intention of the Filer is to absorb expenses of the Fund to maintain the existing management expense ratio (**MER**) of the Fund at approximately the same level of the Fund prior to becoming a reporting issuer. Any such expense absorption may be discontinued in the future, however the Filer does not expect any material increase in MER once the absorption stops.
12. The Filer proposes to present the performance data of the Fund in sales communications and fund facts for a period prior to it becoming a reporting issuer.
13. Without the Exemption Sought, the sales communications and fund facts pertaining to the Fund cannot include performance data that relates to a period prior to the Fund becoming a reporting issuer.
14. Without the Exemption Sought, sales communications pertaining to the Fund would not be permitted to include performance data until the Fund has distributed securities under a simplified prospectus in a jurisdiction for 12 consecutive months.
15. The Filer proposes to include in the fund facts for the Fund, past performance data in the chart required by items 5(2), 5(3) and 5(4) of Part I of Form 81-101F3 under the sub-headings "Year-by-year returns", "Best and worst 3-month returns" and "Average return" related to periods prior to the Fund becoming a reporting issuer in a jurisdiction.
16. Without the Exemption Sought, the MRFP of the Fund cannot include financial highlights and performance data that relates to a period prior to the Fund becoming a reporting issuer.
17. The past performance data and other financial data of the Fund for the time period before it became a reporting issuer is significant and meaningful information that can assist existing and prospective investors in making an informed decision whether to purchase units of the Fund.
18. The Filer submits that the Exemption Sought is not detrimental to the protection of investors.

### **Decision**

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

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

- a) any sales communication and any fund facts that contain performance data of the Fund relating to a period prior to when the Fund was a reporting issuer discloses:
  - i. that the Fund was not a reporting issuer during such period;

### B.3: Reasons and Decisions

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- ii. that the expenses of the Fund would have been higher during such period had the Fund been subject to the additional regulatory requirements applicable to a reporting issuer; and
  - iii. performance data of the Fund for 1,3, 5 and 10-year periods;
- b) the information contained under the heading “Fees and Expenses” in Part A of the simplified prospectus of the Fund based on the MER for the Fund for the financial year ended December 31, 2022 be accompanied by disclosure that:
  - i. the information is based on the MER of the Fund for its last completed financial year when its units were offered privately during part of such financial year; and
  - ii. the MER of the Fund may increase as a result of the Fund offering its units under the simplified prospectus.
- c) any MRFP that includes performance data of the Fund relating to a period prior to when the Fund was a reporting issuer discloses:
  - i. that the Fund was not a reporting issuer during such period;
  - ii. that the expenses of the Fund would have been higher during such period had the Fund been subject to the additional regulatory requirements applicable to a reporting issuer;
  - iii. that the financial statements of the Fund for such period are posted on the Fund’s website and are available to investors upon request; and
  - iv. performance data of the Fund for for 1,3, 5 and 10-year periods;
- d) the Filer posts the financial statements of the Fund since it has commenced its operations on the Fund’s website and makes those financial statements available to investors upon request.

"Frédéric Belleau"  
Senior Director Investment Products and Sustainable Finance Oversight

## 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
Athabasca Minerals Inc.	May 10, 2023	
Dynamic Technologies Group Inc.	May 10, 2023	
E-Play Digital Inc.	May 10, 2023	
Peruvian Metals Corp.	May 10, 2023	
Sugarbud Craft Growers Corp.	May 10, 2023	
The Tinley Beverage Company Inc.	May 5, 2023	May 10, 2023
Grand Peak Capital Corp.	February 3, 2023	May 10, 2023
NG Energy International Corp.	May 10, 2023	
Pharmadrug Inc.	May 5, 2023	May 15, 2023
RIWI Corp.	May 5, 2023	May 15, 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		

**B.4: Cease Trading Orders**

<b>Company Name</b>	<b>Date of Order</b>	<b>Date of Lapse</b>
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	
Molecule Holdings Inc.	March 1, 2023	
Titan Medical Inc.	April 3, 2023	
Halo Collective Inc.	April 3, 2023	
Alkaline Fuel Cell Power Corp.	April 4, 2023	
mCloud Technologies Corp.	April 5, 2023	
Champion Gaming Group Inc.	May 2, 2023	
Element Nutritional Sciences Inc.	May 2, 2023	
Eddy Smart Home Solutions Ltd.	May 2, 2023	
Cloud DX Inc.	May 3, 2023	
CareSpan Health, Inc.	May 5, 2023	
Canada Silver Cobalt Works Inc.	May 5, 2023	
Asante Gold Corporation	May 5, 2023	
Altiplano Metals Inc.	May 5, 2023	
XTM Inc.	May 2, 2023	
VOLTAGE METALS CORP.	May 2, 2023	
Voxtur Analytics Corp.	May 5, 2023	
Hempsana Holdings Ltd.	May 4, 2023	
FRX Innovations Inc.	May 2, 2023	
Magnetic North Acquisition Corp.	May 8, 2023	



## B.7 Insider Reporting

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

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

To obtain Insider Reporting information, please visit the SEDI website ([www.sedi.ca](http://www.sedi.ca)).



## B.9

# IPOs, New Issues and Secondary Financings

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### INVESTMENT FUNDS

**Issuer Name:**

Hamilton Utilities Yield Maximizer ETF  
Principal Regulator – Ontario

**Type and Date:**

Combined Preliminary and Pro Forma Long Form  
Prospectus dated May 8, 2023  
NP 11-202 Preliminary Receipt dated May 9, 2023

**Offering Price and Description:**

-

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

-

**Promoter(s):**

-

**Project #3531925**

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**Issuer Name:**

NBI International Equity Fund  
Principal Regulator – Quebec

**Type and Date:**

Preliminary Simplified Prospectus dated May 9, 2023  
NP 11-202 Preliminary Receipt dated May 11, 2023

**Offering Price and Description:**

-

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

-

**Promoter(s):**

-

**Project #3532581**

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**Issuer Name:**

Ninepoint Alternative Credit Opportunities Fund  
Ninepoint Alternative Health Fund  
Ninepoint Carbon Credit ETF  
Ninepoint Diversified Bond Fund  
Ninepoint Energy Fund  
Ninepoint Energy Income Fund  
Ninepoint Focused Global Dividend Fund  
Ninepoint FX Strategy Fund  
Ninepoint Global Infrastructure Fund  
Ninepoint Global Real Estate Fund  
Ninepoint Gold and Precious Minerals Fund  
Ninepoint Gold Bullion Fund  
Ninepoint High Interest Savings Fund  
Ninepoint Resource Fund  
Ninepoint Resource Fund Class  
Ninepoint Risk Advantaged U.S. Equity Index Fund  
Ninepoint Silver Bullion Fund  
Ninepoint Silver Equities Fund  
Ninepoint Target Income Fund  
Principal Regulator – Ontario

**Type and Date:**

Final Simplified Prospectus dated May 9, 2023  
NP 11-202 Final Receipt dated May 12, 2023

**Offering Price and Description:**

-

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

-

**Promoter(s):**

-

**Project #3511801**

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**Issuer Name:**

CI Alternative Diversified Opportunities Fund  
CI Alternative Investment Grade Credit Fund  
CI Alternative Multi-Strategy Fund  
CI Alternative North American Opportunities Fund  
CI Auspice Broad Commodity ETF  
CI Bitcoin Fund  
CI Ethereum Fund  
CI Marret Alternative Absolute Return Bond Fund  
CI Marret Alternative Enhanced Yield Fund  
CI Munro Alternative Global Growth Fund  
Principal Regulator – Ontario

**Type and Date:**

Final Simplified Prospectus dated May 5, 2023  
NP 11-202 Final Receipt dated May 9, 2023

**Offering Price and Description:**

-

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

-

**Promoter(s):**

-

**Project #3517019**

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**Issuer Name:**

Brompton Split Corp. Preferred Share ETF  
Principal Regulator – Ontario

**Type and Date:**

Preliminary Long Form Prospectus dated May 12, 2023  
NP 11-202 Preliminary Receipt dated May 12, 2023

**Offering Price and Description:**

-

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

-

**Promoter(s):**

-

**Project #3534989**

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**Issuer Name:**

Outcome Canadian Equity Income Fund  
Principal Regulator – Ontario

**Type and Date:**

Final Simplified Prospectus dated May 1, 2023  
NP 11-202 Final Receipt dated May 10, 2023

**Offering Price and Description:**

-

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

-

**Promoter(s):**

-

**Project #3505027**

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**Issuer Name:**

Ninepoint Bitcoin ETF  
Principal Regulator - Ontario

**Type and Date:**

Amendment #2 to Final Long Form Prospectus dated May 1, 2023

NP 11-202 Final Receipt dated May 12, 2023

**Offering Price and Description:**

-

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

-

**Promoter(s):**

-

**Project #3365895**

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**B.9: IPOs, New Issues and Secondary Financings**

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**Issuer Name:**

Fidelity Canadian Disciplined Equity Fund  
Fidelity Canadian Growth Company Fund  
Fidelity Canadian Large Cap Fund  
Fidelity Canadian Opportunities Fund  
Fidelity Dividend Fund  
Fidelity Greater Canada Fund  
Fidelity Dividend Plus Fund  
Fidelity Special Situations Fund  
Fidelity True North Fund  
Fidelity Canadian Core Equity Fund  
Fidelity American Disciplined Equity Fund  
Fidelity American Equity Fund  
Fidelity American Equity Systematic Currency Hedged Fund  
Fidelity U.S. Focused Stock Fund  
Fidelity U.S. Focused Stock Systematic Currency Hedged Fund  
Fidelity Small Cap America Fund  
Fidelity Small Cap America Systematic Currency Hedged Fund  
Fidelity U.S. Dividend Fund  
Fidelity U.S. Dividend Currency Neutral Fund  
Fidelity U.S. Dividend Systematic Currency Hedged Fund  
Fidelity U.S. Dividend Registered Fund  
Fidelity U.S. All Cap Fund  
Fidelity Women's Leadership Fund  
Fidelity Women's Leadership Systematic Currency Hedged Fund  
Fidelity Insights Systematic Currency Hedged Fund  
Fidelity U.S. Core Equity Fund  
Fidelity AsiaStar Fund  
Fidelity China Fund  
Fidelity Emerging Markets Fund  
Fidelity Europe Fund  
Fidelity Far East Fund  
Fidelity Global Fund  
Fidelity Global Disciplined Equity Fund  
Fidelity Global Dividend Fund  
Fidelity Global Large Cap Fund  
Fidelity Global Concentrated Equity Fund  
Fidelity Global Concentrated Equity Currency Neutral Fund  
Fidelity Global Small Cap Fund  
Fidelity International Disciplined Equity Fund  
Fidelity International Concentrated Equity Fund  
Fidelity International Concentrated Equity Currency Neutral Fund  
Fidelity Japan Fund  
Fidelity NorthStar Fund  
Fidelity International Growth Fund  
Fidelity Long-Term Leaders Fund  
Fidelity Long-Term Leaders Currency Neutral Fund  
Fidelity Climate Leadership Fund  
Fidelity Global Intrinsic Value Fund  
Fidelity Global Consumer Industries Fund  
Fidelity Global Financial Services Fund  
Fidelity Global Health Care Fund  
Fidelity Global Natural Resources Fund  
Fidelity Global Real Estate Fund  
Fidelity Technology Innovators Fund  
Fidelity Canadian Asset Allocation Fund  
Fidelity Canadian Balanced Fund  
Fidelity Monthly Income Fund

Fidelity Income Allocation Fund  
Fidelity Global Asset Allocation Fund  
Fidelity Global Monthly Income Fund  
Fidelity Global Monthly Income Currency Neutral Fund  
Fidelity Tactical Strategies Fund  
Fidelity U.S. Monthly Income Fund  
Series T5 units, Series T8 units)  
Fidelity U.S. Monthly Income Currency Neutral Fund  
Fidelity Tactical High Income Fund  
Fidelity Tactical High Income Currency Neutral Fund  
Fidelity NorthStar Balanced Fund  
Fidelity NorthStar Balanced Currency Neutral Fund  
Fidelity American Balanced Fund  
Fidelity American Balanced Currency Neutral Fund  
Fidelity Conservative Income Fund  
Fidelity Multi-Asset Innovation Fund  
Fidelity Climate Leadership Balanced Fund  
Fidelity Inflation-Focused Fund  
Fidelity Income Portfolio  
Fidelity Global Income Portfolio  
Fidelity Balanced Portfolio  
Fidelity Global Balanced Portfolio  
Fidelity Growth Portfolio  
Fidelity Global Growth Portfolio  
Fidelity Balanced Managed Risk Portfolio  
Fidelity Conservative Managed Risk Portfolio  
Fidelity Global Equity Portfolio  
Fidelity ClearPath 2005 Portfolio  
Fidelity ClearPath 2010 Portfolio  
Fidelity ClearPath 2015 Portfolio  
Fidelity ClearPath 2020 Portfolio  
Fidelity ClearPath 2025 Portfolio  
Fidelity ClearPath 2030 Portfolio  
Fidelity ClearPath 2035 Portfolio  
Fidelity ClearPath 2040 Portfolio  
Fidelity ClearPath 2045 Portfolio  
Fidelity ClearPath 2050 Portfolio  
Fidelity ClearPath 2055 Portfolio  
Fidelity ClearPath® 2060 Portfolio  
Fidelity ClearPath Income Portfolio  
Fidelity Canadian Bond Fund  
Fidelity Corporate Bond Fund  
Fidelity Canadian Money Market Fund  
Fidelity Canadian Short Term Bond Fund  
Fidelity Tactical Fixed Income Fund  
Fidelity American High Yield Fund  
Fidelity American High Yield Currency Neutral Fund  
Fidelity U.S. Money Market Fund  
Fidelity Floating Rate High Income Fund  
Fidelity Floating Rate High Income Currency Neutral Fund  
Fidelity Multi-Sector Bond Fund  
Fidelity Multi-Sector Bond Currency Neutral Fund  
Fidelity Strategic Income Fund  
Fidelity Strategic Income Currency Neutral Fund  
Fidelity Investment Grade Total Bond Fund  
Fidelity Investment Grade Total Bond Currency Neutral Fund  
Fidelity Tactical Credit Fund  
Fidelity Global Bond Fund  
Fidelity Global Bond Currency Neutral Fund  
Fidelity Climate Leadership Bond Fund  
Fidelity Canadian High Dividend Index ETF Fund  
Fidelity Canadian High Quality Index ETF Fund

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**B.9: IPOs, New Issues and Secondary Financings**

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Fidelity Canadian Low Volatility Index ETF Fund  
Fidelity U.S. Dividend for Rising Rates Index ETF Fund  
Fidelity U.S. Dividend for Rising Rates Currency Neutral Index ETF Fund  
Fidelity U.S. High Dividend Index ETF Fund  
Fidelity U.S. High Dividend Currency Neutral Index ETF Fund  
Fidelity U.S. High Quality Index ETF Fund  
Fidelity U.S. High Quality Currency Neutral Index ETF Fund  
Fidelity U.S. Low Volatility Index ETF Fund  
Fidelity U.S. Low Volatility Currency Neutral Index ETF Fund  
Fidelity All-in-One Equity ETF Fund  
Fidelity International High Dividend Index ETF Fund  
Fidelity International High Quality Index ETF Fund  
Fidelity International Low Volatility Index ETF Fund  
Fidelity Sustainable World ETF Fund  
Fidelity Tactical Global Dividend ETF Fund  
Fidelity Total Metaverse Index ETF Fund  
Fidelity Canadian Monthly High Income ETF Fund  
Fidelity Global Monthly High Income ETF Fund  
Fidelity All-in-One Balanced ETF Fund  
Fidelity All-in-One Conservative ETF Fund  
Fidelity All-in-One Growth ETF Fund  
Fidelity Canadian Short Term Corporate Bond ETF Fund  
Fidelity Systematic Canadian Bond Index ETF Fund  
Fidelity Global Core Plus Bond ETF Fund  
Fidelity Global Investment Grade Bond ETF Fund  
Fidelity Advantage Bitcoin ETF Fund  
Fidelity Global Value Long/Short Fund  
Fidelity Long/Short Alternative Fund  
Fidelity Market Neutral Alternative Fund  
Fidelity U.S. Dividend Private Pool  
Fidelity U.S. Growth and Income Private Pool  
Fidelity Conservative Income Private Pool  
Fidelity Global Asset Allocation Private Pool  
Fidelity Global Asset Allocation Currency Neutral Private Pool  
Fidelity Asset Allocation Private Pool Trust  
Fidelity Balanced Private Pool Trust  
Fidelity Balanced Income Private Pool Trust  
Fidelity Premium Fixed Income Private Pool  
Fidelity Premium Money Market Private Pool  
Fidelity Premium Tactical Fixed Income Private Pool  
Fidelity Canadian Equity Multi-Asset Base Fund  
Fidelity Canadian Focused Equity Multi-Asset Base Fund  
Fidelity Canadian Money Market Investment Trust  
Fidelity Canadian Real Return Bond Index Multi-Asset Base Fund  
Fidelity Canadian Short Term Fixed Income Multi-Asset Base Fund  
Fidelity Concentrated Canadian Equity Multi-Asset Base Fund  
Fidelity Concentrated Value Investment Trust  
Fidelity Convertible Securities Multi-Asset Base Fund  
Fidelity Dividend Multi-Asset Base Fund  
Fidelity Emerging Markets Debt Multi-Asset Base Fund  
Fidelity Emerging Markets Equity Multi-Asset Base Fund  
Fidelity Emerging Markets Local Currency Debt Multi-Asset Base Fund  
Fidelity Floating Rate High Income Multi-Asset Base Fund  
Fidelity Founders Investment Trust

Fidelity Global Bond Currency Neutral Multi-Asset Base Fund  
Fidelity Global Bond Multi-Asset Base Fund  
Fidelity Global Credit Ex-U.S. Investment Trust  
Fidelity Global Dividend Investment Trust  
Fidelity Global Equity Investment Trust  
Fidelity Global Growth and Value Investment Trust  
Fidelity Global High Yield Multi-Asset Base Fund  
Fidelity Global Innovators Investment Trust  
Fidelity Global Intrinsic Value Investment Trust  
Fidelity Global Real Estate Multi-Asset Base Fund  
Fidelity High Income Commercial Real Estate Multi-Asset Base Fund  
Fidelity Insights Investment Trust  
Fidelity International Equity Investment Trust  
Fidelity International Growth Multi-Asset Base Fund  
Fidelity North American Equity Investment Trust  
Fidelity U.S. Bond Multi-Asset Base Fund  
Fidelity U.S. Dividend Investment Trust  
Fidelity U.S. Equity Investment Trust  
Fidelity U.S. Money Market Investment Trust  
Fidelity U.S. Small/Mid-Cap Equity Multi-Asset Base Fund  
Fidelity International Equity Multi-Asset Base Fund  
Fidelity Canadian Fundamental Equity Multi-Asset Base Fund  
Fidelity Floating Rate High Income Currency Neutral Multi-Asset Base Fund  
Fidelity Global Credit Ex-U.S. Currency Neutral Multi-Asset Base Fund  
Fidelity High Income Commercial Real Estate Currency Neutral Multi-Asset Base Fund  
Fidelity Insights Currency Neutral Multi-Asset Base Fund  
Fidelity International Equity Currency Neutral Investment Trust  
Fidelity International Growth Currency Neutral Multi-Asset Base Fund  
Fidelity U.S. Bond Currency Neutral Multi-Asset Base Fund  
Fidelity U.S. Growth Opportunities Investment Trust  
Fidelity Canadian Government Long Bond Index Multi-Asset Base Fund  
Fidelity Multi-Sector Bond Hedged Multi-Asset Base Fund  
Fidelity Global Developed Markets Sovereign Bond Index Hedged Multi-Asset Base Fund  
Fidelity Global Inflation-Linked Bond Index Hedged Multi-Asset Base Fund  
Fidelity Canadian Large Cap Multi-Asset Base Fund  
Fidelity Dividend Plus Multi-Asset Base Fund  
Principal Regulator - Ontario

**Type and Date:**

Amended and Restated Final Simplified Prospectus dated May 4, 2023

NP 11-202 Final Receipt dated May 11, 2023

**Offering Price and Description:**

-

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

-

**Promoter(s):**

-

**Project #3441949**

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**Issuer Name:**

Canadian Banc Corp.  
Principal Regulator - Ontario

**Type and Date:**

Preliminary Shelf Prospectus (NI 44-102) dated May 10, 2023

NP 11-202 Preliminary Receipt dated May 10, 2023

**Offering Price and Description:**

-

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

-

**Promoter(s):**

-

**Project #3533058**

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**Issuer Name:**

Dividend 15 Split Corp. II  
Principal Regulator - Ontario

**Type and Date:**

Preliminary Shelf Prospectus (NI 44-102) dated May 12, 2023

NP 11-202 Preliminary Receipt dated May 12, 2023

**Offering Price and Description:**

Maximum Offerings: \$900,000,000 Preferred Shares and Class A Shares

Price: \$9.50 per Preferred Shares and \$4.15 per Class A Shares

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

-

**Promoter(s):**

-

**Project #3534993**

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**Issuer Name:**

Family Single Student Education Savings Plan  
Flex First Plan

Principal Regulator - Ontario

**Type and Date:**

Final Long Form Prospectus dated May 8, 2023

NP 11-202 Receipt dated May 9, 2023

**Offering Price and Description:**

-

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

-

**Promoter(s):**

-

**Project #3519990**

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**Issuer Name:**

Flex First Plan  
Family Single Student Education Savings Plan  
Principal Regulator - Ontario

**Type and Date:**

Final Long Form Prospectus dated May 8, 2023

NP 11-202 Receipt dated May 9, 2023

**Offering Price and Description:**

-

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

-

**Promoter(s):**

-

**Project #3519984**

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NON-INVESTMENT FUNDS

**Issuer Name:**

Alcon Silver Corp.  
Principal Regulator - British Columbia

**Type and Date:**

Preliminary Long Form Prospectus dated May 11, 2023  
NP 11-202 Preliminary Receipt dated May 12, 2023

**Offering Price and Description:**

Offered Units \* - \$\*

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

Red Cloud Securities Inc.

**Promoter(s):**

Robert S. Tyson

**Project #**3534569

**Issuer Name:**

Ballard Power Systems Inc.  
Principal Regulator - British Columbia

**Type and Date:**

Preliminary Shelf Prospectus dated May 9, 2023  
NP 11-202 Preliminary Receipt dated May 9, 2023

**Offering Price and Description:**

Common Shares, Preferred Shares, Warrants, Debt Securities, Units

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

-

**Promoter(s):**

-

**Project #**3532200

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**Issuer Name:**

ALEEN INC.

**Type and Date:**

Amendment dated May 12, 2023 to Preliminary Long Form Prospectus dated February 15, 2023  
(Preliminary) Receipted on May 12, 2023

**Offering Price and Description:**

10,043,300 Common Shares issuable on deemed exercise of 10,043,300 Special Warrants at an issue price of \$0.02, \$0.05 and \$0.10

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

-

**Promoter(s):**

Inna Aksman

**Project #**3409213

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**Issuer Name:**

Bravo Mining Corp. (formerly BPG Metals Corp.)  
Principal Regulator - British Columbia

**Type and Date:**

Preliminary Shelf Prospectus dated May 11, 2023  
NP 11-202 Preliminary Receipt dated May 11, 2023

**Offering Price and Description:**

C\$200,000,000.00 - COMMON SHARES, WARRANTS, SUBSCRIPTION RECEIPTS, UNITS

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

-

**Promoter(s):**

LUIS MAURÍCIO F. AZEVEDO

**Project #**3534208

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**Issuer Name:**

Auric Minerals Corp.

**Type and Date:**

Amendment dated May 5, 2023 to Preliminary Long Form Prospectus dated March 20, 2023  
(Preliminary) Receipted on May 10, 2023

**Offering Price and Description:**

11,857,500 Common Shares Issuable on Exercise of Outstanding Special Warrants

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

-

**Promoter(s):**

Dimitri Lakutin

**Project #**3500749

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**Issuer Name:**

Canadian Apartment Properties Real Estate Investment Trust  
Principal Regulator - Ontario

**Type and Date:**

Preliminary Shelf Prospectus dated May 9, 2023  
NP 11-202 Preliminary Receipt dated May 9, 2023

**Offering Price and Description:**

Debt Securities, Subscription Receipts, Units

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

-

**Promoter(s):**

-

**Project #**3532240



**Issuer Name:**

Coco Pool Corp.  
Principal Regulator - British Columbia

**Type and Date:**

Preliminary CPC Prospectus dated May 11, 2023  
NP 11-202 Preliminary Receipt dated May 12, 2023

**Offering Price and Description:**

\$300,000.00 - 3,000,000 COMMON SHARES  
PRICE: \$0.10 per Common Share

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

HAYWOOD SECURITIES INC.

**Promoter(s):**

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**Project #3534263**

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**Issuer Name:**

Devonian Health Group Inc.  
Principal Regulator - Quebec

**Type and Date:**

Preliminary Shelf Prospectus dated May 10, 2023  
NP 11-202 Preliminary Receipt dated May 10, 2023

**Offering Price and Description:**

\$30,000,000.00 - Subordinate Voting Shares, Debt Securities, Subscription Receipts, Warrants, Units

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

-

**Promoter(s):**

-

**Project #3533036**

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**Issuer Name:**

Electra Battery Materials Corporation (formerly "First Cobalt Corp.")

**Type and Date:**

Preliminary Short Form Prospectus dated May 8, 2023  
(Preliminary) Received on May 9, 2023

**Offering Price and Description:**

55,564,959 Common Shares

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

-

**Promoter(s):**

-

**Project #3531885**

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**Issuer Name:**

FG Acquisition Corp.  
Principal Regulator - Ontario

**Type and Date:**

Preliminary Long Form Prospectus dated May 12, 2023  
NP 11-202 Preliminary Receipt dated May 12, 2023

**Offering Price and Description:**

No securities are being offered pursuant to this prospectus.

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

-

**Promoter(s):**

FGAC INVESTORS LLC  
CG INVESTMENTS VII INC.

**Project #3535067**

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**Issuer Name:**

Odessa Capital Ltd.  
Principal Regulator - Alberta

**Type and Date:**

Preliminary CPC Prospectus dated May 11, 2023  
NP 11-202 Preliminary Receipt dated May 11, 2023

**Offering Price and Description:**

Minimum Offering: \$750,000.00 (7,500,000 Common Shares)

Maximum Offering: \$1,500,000.00 (15,000,000 Common Shares)

Price: \$0.10 per Common Share

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

iA Private Wealth Inc.

**Promoter(s):**

Michel Lassonde

**Project #3534134**

---

**Issuer Name:**

Padlock Partners UK Fund IV  
Principal Regulator - Ontario

**Type and Date:**

Amendment dated May 9, 2023 to Preliminary Long Form Prospectus dated May 1, 2023

NP 11-202 Preliminary Receipt dated May 10, 2023

**Offering Price and Description:**

Minimum: \$35,000,000.00 of Class A Units, Class F Units, Class C Units and/or Class U Units

Maximum: \$60,000,000.00 of Class A Units, Class F Units, Class C Units and/or Class U Units

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

CIBC WORLD MARKETS INC.

RICHARDSON WEALTH LIMITED

WELLINGTON-ALTUS PRIVATE WEALTH INC.

CANACCORD GENUITY CORP.

RAYMOND JAMES LTD.

IA PRIVATE WEALTH INC.

**Promoter(s):**

-

**Project #3529393**

---

**Issuer Name:**

Vicinity Motor Corp.  
Principal Regulator - British Columbia

**Type and Date:**

Preliminary Shelf Prospectus (NI 44-102) dated May 5, 2023

NP 11-202 Preliminary Receipt dated May 9, 2023

**Offering Price and Description:**

USD\$150,000,000.00 - COMMON SHARES, WARRANTS, SUBSCRIPTION RECEIPTS, UNITS, DEBT SECURITIES

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

-

**Promoter(s):**

-

**Project #3532372**

---

**Issuer Name:**

Canadian Apartment Properties Real Estate Investment Trust

Principal Regulator - Ontario

**Type and Date:**

Final Shelf Prospectus dated May 9, 2023

NP 11-202 Receipt dated May 9, 2023

**Offering Price and Description:**

Debt Securities, Subscription Receipts, Units

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

-

**Promoter(s):**

-

Project #3532240

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**Issuer Name:**

Copperhead Resources Inc.

Principal Regulator - British Columbia

**Type and Date:**

Final Long Form Prospectus dated May 11, 2023

NP 11-202 Receipt dated May 11, 2023

**Offering Price and Description:**

530,000 Common Shares issuable without payment upon deemed conversion of 530,000 outstanding Special Warrants

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

-

**Promoter(s):**

Damian Lopez

Project #3509728

---

**Issuer Name:**

EVP Capital Inc

Principal Regulator - Ontario

**Type and Date:**

Final CPC Prospectus dated May 9, 2023

NP 11-202 Receipt dated May 11, 2023

**Offering Price and Description:**

\$460,000.00 - 4,600,000 Common Shares

Price: \$0.10 per Common Share

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

CANACCORD GENUITY CORP.

**Promoter(s):**

Lorne Sugarman

Project #3500905

**Issuer Name:**

Laurentian Bank of Canada

Principal Regulator - Quebec

**Type and Date:**

Final Shelf Prospectus dated May 8, 2023

NP 11-202 Receipt dated May 9, 2023

**Offering Price and Description:**

\$1,000,000,000.00 - Debt Securities (subordinated indebtedness), Common Shares, Class A Preferred Shares, Subscription Receipts, Warrants

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

-

**Promoter(s):**

-

Project #3523202

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**Issuer Name:**

Osino Resources Corp.

Principal Regulator - British Columbia

**Type and Date:**

Final Shelf Prospectus dated May 9, 2023

NP 11-202 Receipt dated May 10, 2023

**Offering Price and Description:**

\$200,000,000.00 - Common Shares, Debt Securities, Warrants, Subscription Receipts, Units

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

-

**Promoter(s):**

-

Project #3494947

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**Issuer Name:**

Prestwick Capital Corporation Limited

Principal Regulator - Alberta

**Type and Date:**

Final CPC Prospectus dated May 12, 2023

NP 11-202 Receipt dated May 12, 2023

**Offering Price and Description:**

\$200,000.00 - 2,000,000 Common Shares

Price: \$0.10 per Common Share

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

Canaccord Genuity Corp.

**Promoter(s):**

Gordon Chmilar

Project #3495266

**Issuer Name:**

Satellos Bioscience Inc.  
Principal Regulator - Ontario

**Type and Date:**

Final Short Form Prospectus dated May 9, 2023  
NP 11-202 Receipt dated May 10, 2023

**Offering Price and Description:**

Minimum: \$25,000,000.00 (50,000,000 Common Shares or Warrants)

Maximum: \$55,000,000.00 (110,000,000 Common Shares or Warrants)

Price: \$0.50 per Common Share or \$0.49999 per Warrant

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

BLOOM BURTON SECURITIES INC.

**Promoter(s):**

Frank Gleeson  
Michael Rudnicki

**Project #3520937**

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**Issuer Name:**

Consolidated Uranium Inc.  
Principal Jurisdiction - Ontario

**Type and Date:**

Preliminary Shelf Prospectus dated February 10, 2023  
Withdrawn on May 11, 2023

**Offering Price and Description:**

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

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

-

**Promoter(s):**

-

**Project #3490290**

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**Issuer Name:**

Space Kingdom Digital Capital Corp.  
Principal Regulator - British Columbia

**Type and Date:**

Final CPC Prospectus dated May 12, 2023  
NP 11-202 Receipt dated May 12, 2023

**Offering Price and Description:**

Offering: \$200,000.00 - 2,000,000 Common Shares

Price: \$0.10 per Common Share

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

HAYWOOD SECURITIES INC.

**Promoter(s):**

Christopher Farnworth  
Xingtao Zhou

**Project #3474324**

---

**Issuer Name:**

Canadian Apartment Properties Real Estate Investment Trust

Principal Jurisdiction - Ontario

**Type and Date:**

Final Shelf Prospectus dated May 13, 2021  
Withdrawn on May 9, 2023

**Offering Price and Description:**

\$2,000,000,000.00 - Debt Securities Subscription Receipts Units

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

-

**Promoter(s):**

-

**Project #3218218**

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## B.10 Registrations

### B.10.1 Registrants

Type	Company	Category of Registration	Effective Date
New Registration	Sixpoint Partners LLC	Exempt Market Dealer	May 9, 2023
New Registration	Trinetra Investment Management LLP	Portfolio Manager	May 12, 2023
Change of Registration Category	Focus Asset Management Ltd.	From: Portfolio Manager and Investment Fund Manager To: Portfolio Manager, Investment Fund Manager and Exempt Market Dealer	May 15, 2023

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# B.11

## SRO, Marketplaces, Clearing Agencies and Trade Repositories

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### B.11.1 SRO

#### B.11.1.1 New Self-Regulatory Organization of Canada (New SRO) – Amendments to the Investment Dealer and Partially Consolidated Rules and Form 1 Regarding the Floating Index Margin Rate Methodology – Notice of Commission Approval

##### NOTICE OF COMMISSION APPROVAL

##### NEW SELF-REGULATORY ORGANIZATION OF CANADA (NEW SRO)

##### AMENDMENTS TO THE INVESTMENT DEALER AND PARTIALLY CONSOLIDATED RULES AND FORM 1 REGARDING THE FLOATING INDEX MARGIN RATE METHODOLOGY

The Ontario Securities Commission has approved New SRO's proposed amendments to the Investment Dealer and Partially Consolidated (**IDPC**) Rules and IDPC Form 1 (collectively, the **Amendments**) that set floor margin rates within the floating index margin rate methodology for qualifying Canadian and U.S. index products. The Amendments also codify New SRO's discretionary authority to modify the underlying floating index margin rate calculation formula.

The Amendments were originally published for public comment on April 28, 2022 as proposed amendments to the Investment Industry Regulatory Organization of Canada Rules. On January 1, 2023, the Board of Directors of the New SRO approved the adoption of the Amendments as proposed amendments to IDPC Rules 5100 and 5300 and IDPC Form 1.

No comment letters were received. The New SRO Notice of Approval/Implementation, including text of the Amendments, can be found at [www.osc.ca](http://www.osc.ca). The Amendments will be effective on August 8, 2023.

In addition, the Alberta Securities Commission; the Autorité des marchés financiers; the British Columbia Securities Commission; the Financial and Consumer Affairs Authority of Saskatchewan; the Financial and Consumer Services Commission of New Brunswick; the Manitoba Securities Commission; the Northwest Territories Office of the Superintendent of Securities; the Nova Scotia Securities Commission; the Nunavut Securities Office; the Office of the Superintendent of Securities, Digital Government and Services, Newfoundland and Labrador; the Office of the Yukon Superintendent of Securities; and the Prince Edward Island Office of the Superintendent of Securities have either not objected to or have approved the Amendments.

**B.11.2 Marketplaces**

**B.11.2.1 TSX Inc. – Proposal to Introduce Allocation Priority for Price Setting Orders – Notice of Withdrawal**

**TSX INC.**

**NOTICE OF WITHDRAWAL  
REGARDING PROPOSAL TO INTRODUCE ALLOCATION PRIORITY FOR PRICE SETTING ORDERS**

In accordance with the Process for the Review and Approval of Rules and the Information Contained in Form 21-101F1 and the Exhibits thereto (the "**Protocol**") in Schedule 6 of the Ontario Securities Commission recognition order recognizing TSX Inc. ("**TSX**") as an exchange, TSX has withdrawn its proposed amendments to the Toronto Stock Exchange Rule Book to introduce allocation priority for price setting orders as described in the Notice of Proposed Amendments and Request for Comments published on May 5, 2022. To the extent TSX decides to pursue the proposal again, it will be published for comment in accordance with the requirements of the Protocol.



**B.11.2.2 Canadian Securities Exchange – Amendments to CSE Form 2A Listing Statement – Notice of Approval**

**CANADIAN SECURITIES EXCHANGE  
AMENDMENTS TO CSE FORM 2A LISTING STATEMENT**

**NOTICE OF APPROVAL**

**May 18, 2023**

In accordance with the Process for the Review and Approval of Rules and the Information Contained in Form 21-101F1 and the Exhibits Thereto, CNSX Markets Inc. (“CSE”) has proposed, and the Ontario Securities Commission and British Columbia Securities Commission have approved significant changes (the “Amendments”) to the CSE Form 2A Listing Statement.

On March 2, 2023, CSE published Notice 2023-004 – Proposed Amendments to CSE Form 2A Listing Statement – Notice and Request for Comments. CSE proposed changes (“Amendments”) to CSE Form 2A Listing Statement (“Form 2A”, “Listing Statement” or “Form”) to clarify certain disclosure requirements of Form 2A. Form 2A is a comprehensive disclosure document that must be filed with all new listing applications to provide at the time of listing full, true, and plain disclosure in a narrative format based on the requirements set out in Form 41-101F1 *Information Required in a Prospectus* (Form 41-101F1). CSE requested comment on the disclosure requirements of Form 2A and the use of Form 2A for certain types of listing applications.

The comment period ended April 3, 2023. CSE received no comments.

The effect of the Amendments is the replacement of the prescriptive Form with instructions and reference to disclosure requirements set out in securities law, confirming that a Listing Statement must include the disclosure required in Form 41-101F1, and that disclosure requirement may be met in certain circumstances by reference to existing disclosure documents.

Effective Date: May 18, 2023.

Questions about this notice may be directed to:

Mark Faulkner, Senior Vice President Listings & Regulation  
mark.faulkner@thecse.com

Questions about CSE Listing Policies or requirements may be directed to:  
Listings@thecse.com, 415.367-7340

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