The Ontario Securities Commission

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

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

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

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19 Duncan Street
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M5H 3H1
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Thomson Reuters
19 Duncan Street
Toronto, ON
M5H 3H1
Canada

Customer Support
1-416-609-3800 (Toronto & International)
1-800-387-5164 (Toll Free Canada & U.S.)
Email CustomerSupport.LegalTaxCanada@TR.com

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FOR IMMEDIATE RELEASE
July 9, 2025

OASIS WORLD TRADING INC.,
ZHEN (STEVEN) PANG, AND
RIKESH MODI,
File No. 2023-38

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

A copy of the Order dated July 9, 2025 is available at capitalmarketstribunal.ca.

Registrar, Governance & Tribunal Secretariat
Ontario Securities Commission

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A.3
Orders

A.3.1 Oasis World Trading Inc. et al. – ss. 5.4, 25.0.1 of Statutory Powers Procedure Act; Rule 28 of CMT Rules of Procedure

IN THE MATTER OF
OASIS WORLD TRADING INC.,
ZHEN (STEVEN) PANG, AND
RIKESH MODI

File No. 2023-38

Adjudicators: Mary Condon (chair of the panel)
Andrea Burke
Sandra Blake

July 9, 2025

ORDER
(Sections 5.4 and 25.0.1 of *Statutory Powers Procedure Act,* RSO 1990, c S.22 and rule 28 of the Capital Markets Tribunal *Rules of Procedure*)

WHEREAS on July 4, 2025, the Capital Markets Tribunal held a hearing by videoconference to consider the respondents' motion to stay this proceeding, and in the alternative, their request that the Tribunal order the Ontario Securities Commission to conduct a further review of its disclosure in this proceeding and produce any documents or things that have not been previously disclosed in accordance with its disclosure obligations;

ON READING the materials filed by the parties, and on hearing the submissions of the representatives for the respondents and the Commission;

IT IS ORDERED, for reasons to follow, that:

1. the respondents' motion for a stay of this proceeding is dismissed;

2. the respondents' request for alternative relief is granted such that the Commission shall conduct a further review of all documents and other things in its possession not already disclosed to the respondents and make additional disclosure as applicable, in accordance with its obligations under rule 28 of the Capital Markets Tribunal *Rules of Procedure*, including that the Commission shall:

    a. disclose any additional relevant documents and information notwithstanding that the document or information may exist in another form that has already been disclosed; and

    b. disclose all relevant communications with, and relevant previously undisclosed information received from, any persons who are witnesses in this proceeding or who at any time were potential witnesses and their counsel, subject to any claimed litigation privilege;

3. a case management hearing shall proceed on July 17, 2025, at 10:00 a.m., by videoconference, or as may be agreed to by the parties and set by the Governance & Tribunal Secretariat; and

4. by no later than July 17, 2025, the parties shall advise the Tribunal of an agreed-upon schedule for the completion of the Commission's disclosure review.

"Mary Condon"

"Andrea Burke"

"Sandra Blake"

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B. Ontario Securities Commission

B.1
Notices

B.1.1 Notice of Coming into Force of Amendments to Ontario Securities Commission Rule 91-507 Trade Repositories and Derivatives Data Reporting and Consequential Amendments

NOTICE OF COMING INTO FORCE OF
AMENDMENTS TO
ONTARIO SECURITIES COMMISSION RULE 91-507
TRADE REPOSITORIES AND DERIVATIVES DATA REPORTING
AND CONSEQUENTIAL AMENDMENTS

July 17, 2025

On July 25, 2025, pursuant to 143.4 of the *Securities Act* (Ontario), the following amendments will come into force:

- Amendments to Ontario Securities Commission Rule 91-507 *Trade Repositories and Derivatives Data Reporting*; and

- Consequential amendments to Ontario Securities Commission Rule 13-502 *Fees*

In connection with the amendments, the Ontario Securities Commission also adopted changes (the **Policy Changes**) to Companion Policy 91-507CP *Trade Repositories and Derivatives Data Reporting* and Companion Policy 91-506CP *Derivatives: Product Determination*. The Policy Changes will come into effect on July 25, 2025.

The full text of the amendments and Policy changes were published in the Ontario Securities Commission's Bulletin on July 25, 2024, at (2024), 47 OSCB (Supp-1) and on the Commission's website at www.osc.ca.

B.1.2 CSA Staff Notice 31-366 OBSI Joint Regulators Committee Annual Report for 2024

Canadian Securities Administrators | Autorités canadiennes en valeurs mobilières

CSA STAFF NOTICE 31-366
OBSI JOINT REGULATORS COMMITTEE ANNUAL REPORT FOR 2024

July 17, 2025

Introduction

This notice is being published jointly by the Canadian Securities Administrators (**CSA**) and the Canadian Investment Regulatory Organization (**CIRO**) to serve as the Annual Report of the Joint Regulators Committee (**JRC**) of the Ombudsman for Banking Services and Investments (**OBSI**).

Members of the JRC are CSA designated representatives from the British Columbia Securities Commission, the Alberta Securities Commission, the Ontario Securities Commission, and the Autorité des marchés financiers, as well as representatives from CIRO.

The JRC believes that a fair and effective independent dispute resolution service is important for investor protection in Canada and is vital to the integrity and confidence of the capital markets. The JRC supports a fair, accessible and effective OBSI dispute resolution process. The JRC meets regularly with OBSI to discuss governance and operational matters and other significant issues that could influence the effectiveness of the dispute resolution system.

The purpose of this notice is to provide an overview of the JRC and to highlight major activities conducted or reviewed by the JRC during the 2024 calendar year. This notice refers to events that occurred early in 2025 where they provide appropriate context for JRC's 2024 activities.

Background to Establishment of the JRC

In May 2014, amendments to National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations* (the **Amendments**) came into force requiring all registered dealers and advisers to make OBSI available to their clients as their dispute resolution service, except in Québec where the dispute resolution services administered by the Autorité des marchés financiers (**AMF**) would continue to apply. In Québec, the AMF provides dispute resolution services to those clients of all registered dealers and advisers who reside in Québec. The Québec regime remains unchanged, and firms registered in Québec must inform clients residing in Québec of the availability of the AMF's dispute resolution services. Investors in Québec are nevertheless entitled to use the services of OBSI for disputes that fall within OBSI's mandate, in lieu of the dispute resolution services provided by the AMF.

Memorandum of Understanding / Amendments: In conjunction with the passing of the Amendments, the CSA and OBSI signed a Memorandum of Understanding (**MOU**) which provides an oversight framework intended to ensure that OBSI continues to meet the standards set by the CSA.[1] The MOU also provides a framework for the CSA members and OBSI to cooperate and communicate constructively.

In 2015, the MOU was amended to include the AMF as a signatory, with it joining all other CSA members.[2] The amended MOU also clarifies certain provisions, including those relating to information sharing and the requirement for an independent evaluation of OBSI.[3]

JRC Mandate: The CSA jurisdictions, predecessor organizations to CIRO and OBSI agreed to form the JRC with a mandate to:

- facilitate a holistic approach to information sharing and monitor the dispute resolution process with an overall view to promoting investor protection and confidence in the external dispute resolution system;
- support fairness, accessibility and effectiveness of the dispute resolution process; and
- facilitate regular communication and consultation among JRC members and OBSI.

1 The MOU sets out the standards that OBSI is expected to meet on: governance, independence and standard of fairness, processes to perform functions on a timely and fair basis, fees and costs, resources, accessibility, systems and controls, core methodologies, information sharing, and transparency.
2 The AMF became a party to the MOU effective as of December 1, 2015.
3 For a copy of the MOU, please see the Amended and Restated Memorandum of Understanding concerning oversight of the Ombudsman for Banking Services and Investments among the Canadian Securities Administrators and OBSI.

Overview of JRC Activities in 2024

The JRC held regular meetings in March, June and October, met with OBSI's Board of Directors (the **OBSI Board**) in December, and engaged further with OBSI throughout the year, providing opportunities to discuss specific matters as contemplated by the MOU, including matters relating to OBSI's reporting to the JRC throughout the year. In October, the JRC also had opportunity to meet with representatives from the Australian Financial Complaints Authority (**AFCA**) while they were in Toronto to attend the annual conference of the International Network of Financial Services Ombudsman Schemes.

The following matters were considered and advanced by the JRC, and include matters discussed with OBSI at regular meetings during the year:

1. **OBSI's 2021 independent evaluation:** The MOU requires that an independent evaluation of OBSI's operations and practices on the investment side of its mandate commence every five years. The 2021 *Independent Evaluation of the Ombudsman for Banking Services and Investments (OBSI) Investments Mandate* (**Investments Report**) found that overall, OBSI met and exceeded its obligations under the MOU. In addition to these findings, the Investments Report includes 22 recommendations for improvements regarding governance, strategy, operations, additional value and awareness, and includes the recommendation that OBSI be empowered to make awards that are binding.

   The JRC continued to receive written and verbal reporting from OBSI staff regarding OBSI's response to the recommendations made in the Investments Report.

   Notably, as recommended in the Investments Report, OBSI published a consultation on its approach to loss calculation for complaints involving unsuitably sold illiquid exempt market securities and expects to publish its response in 2025. Having appropriate and transparent processes for developing core methodologies for dispute resolution is a standard set by the CSA in the MOU.

   The JRC supports other completed actions taken by OBSI in response to the Investments Report, including operationalizing its enhanced governance model and the presentation in its 2024 Annual Report of data relating to disputes that settled below the compensation amount that OBSI recommended (**low settlements**). This data supplements the information the JRC provides below on low settlements.

2. **CSA's project to strengthen OBSI:** The JRC continued to receive quarterly progress updates about the CSA's work to strengthen OBSI as an independent dispute resolution service. These updates included an overview of comments and key themes raised in response to the CSA's consultation on a proposed regulatory framework for an independent dispute resolution service, anticipated to be OBSI, whose decisions would be binding,[4] as well as the CSA's efforts to develop an oversight regime to complement the proposed framework. In November, the CSA published a media advisory indicating that a further consultation is planned in the second half of 2025 that includes the CSA's proposed approach to overseeing the independent dispute resolution service.[5]

3. **Continuous monitoring of OBSI quarterly reports, compensation refusals and low settlements:** The JRC continued to monitor data on investment-related complaints through the review of OBSI's reporting to the JRC pertaining to OBSI's 2024 fiscal year. The JRC believes this data can sometimes provide risk-based indications of potential problems with a firm's complaint handling practices or raise questions about whether a firm is participating in OBSI's services in good faith or consistently with the applicable standard of care.

   If, after investigating a complaint, OBSI finds that a firm acted unfairly, made a mistake or gave poor advice, OBSI will recommend the firm compensate the investor for loss, damage or harm up to $350,000.[6] Over the years, the JRC has observed instances of firms refusing a compensation recommendation in its entirety (**compensation refusals**) and making low settlement offers to their clients.

   There were no compensation refusals in OBSI's 2024 fiscal year. There were two low settlements, both of which involved compensation recommendations of over $100,000. The total settlement amount for these two cases was over $289,000 less than what OBSI recommended. Low settlements continue to be an area of concern for the JRC.

   Overall, since OBSI's 2018 fiscal year, complainants received approximately $1.91 million less than what OBSI recommended as a result of low settlements. For OBSI's 2018 to 2024 fiscal years, out of 1,236 cases that ended with monetary compensation, 46 cases (approximately 4%) involving 26 firms resulted in low settlements. In the same period, 12 of the 26 firms settled below OBSI's recommended amount more than once. After follow-up efforts by CSA jurisdictions and self-regulatory organizations regarding low settlement cases, 2 of these firms made additional payments on 3 cases in 2021 to align compensation amounts with OBSI's recommendations.

4 Canadian securities regulators propose binding regime for investment-related disputes, November 30, 2023.
5 CSA provides update on binding dispute resolution, November 7, 2024. The British Columbia Securities Commission did not participate in the media advisory due to publication restrictions related to the B.C. provincial election.
6 OBSI's approaches help investors and firms better understand how OBSI reaches decisions on complaints about products, services or issues.

About 59% of all low settlement cases involved recommendations over $50,000. On average, low settlement cases settled for about 60% of OBSI's recommended amount of compensation. In terms of the dollar amount, where OBSI made a recommendation for compensation of $50,000 or less, the complainant received an average of $8,745 less than what OBSI recommended. Where OBSI made a recommendation for compensation above $50,000, the complainant received an average of $64,617 less than what OBSI recommended.

The JRC recognizes the impact on complainants when firms refuse to compensate them consistent with OBSI's recommendations or offer lower amounts than recommended by OBSI. As OBSI's recommendations are not binding on firms, complainants may feel compelled to accept a lower settlement offer or risk receiving nothing. While commencing a civil proceeding to seek full compensation is another option for the complainant, such proceedings can be time-consuming, expensive, and stressful. This dynamic may dissuade some complainants from using OBSI's non-binding process.

Low settlements and compensation refusals may erode retail investor confidence in the fairness and effectiveness of OBSI's dispute resolution services and in the CSA's approach to independent dispute resolution generally. Reduced confidence may make investors reluctant to engage with firms or to invest in financial markets using the services of firms if there is no assurance of redress when expected standards of conduct are not observed.

The JRC continues to monitor low settlements and compensation refusals, and supports the ongoing work of the CSA to provide OBSI with the authority to make binding awards.

4. **Systemic issues:** Under the MOU, the Chair of the OBSI Board is to inform the CSA Designates of any issues that appear likely to have significant regulatory implications, including issues that appear to affect multiple clients of one or more firms (referred to as **Systemic Issues**). In 2015, the JRC finalized with OBSI a protocol to define potential Systemic Issues and to set out a regulatory approach to address these issues when reported by OBSI under the MOU. Information sharing about individual complaints relating to Systemic Issues allows for evaluation of whether a systemic issue exists and assessment of its impact on the applicable registrant, the registrant category and/or investors. Please see OBSI and JRC Protocol for Handling Systemic Issues for further information.

The JRC continued to receive updates on the CSA's response to a potential Systemic Issue OBSI reported to the JRC in 2023 regarding observed instances of mutual funds reducing risk ratings on the basis of the ten-year standard deviation and of relatively few funds increasing or maintaining them by using upward discretion.

CSA staff conducted continuous disclosure reviews of 45 investment fund managers to determine their use of discretion under the CSA investment risk classification methodology (the **CSA Methodology**). The CSA's findings are summarized in CSA Staff Notice 81-338 *Guidance on the Use of Discretion Under the CSA Investment Risk Classification Methodology* published on April 16, 2025. In addition to providing related guidance, the Staff Notice strongly encourages all investment fund managers to adopt policies and procedures to determine the appropriateness of using discretion to increase a fund's investment risk level under the CSA Methodology.

5. **Emerging and ongoing complaint trends:** The JRC engages productively, openly and continuously with OBSI to identify and monitor emerging and ongoing trends in complaint volumes, and the nature of complaints received. OBSI provided the JRC with detailed aggregate data for each of its 2024 fiscal quarters relating to products, issues and outcomes, as well as anonymized case outcomes and summaries, which formed the basis of information sharing and monitoring, and assisted with the identification, of these trends.

In fiscal 2024, OBSI experienced an overall increase in opened complaints, though it observed a 2% decrease in the number of opened investment cases. The JRC received regular updates from OBSI on steps taken to respond to record-setting case levels, including its significant recruitment and training efforts, enhanced productivity and operational improvements. These initiatives made a notable impact on the rate that OBSI was able to close investment cases in 2024, and in its second quarter, OBSI advised the JRC that it had resumed meeting all timeliness benchmarks for assigning investment cases to its investigators. JRC observed that in fiscal 2024, OBSI closed 24% more cases than it did in fiscal 2023.

OBSI also observed an upward trend in closed cases pertaining to investment suitability, service issues, and fee disclosure, while complaint volumes relating to product information disclosure and transfer delays were lower than in recent years. Complaints relating to mutual funds were also lower than they were last year, while an increase in complaints relating to common shares was observed.

While OBSI observed a moderation in crypto asset related complaint volumes in fiscal 2024, instances of crypto asset fraud continue to be common. Throughout the year, CSA jurisdictions, CIRO and OBSI have each continued to release publications and engage in outreach advising investors of the risk of fraudulent activity involving crypto assets. The JRC continues to monitor this trend and act on opportunities for risk reduction, including with OBSI, internally within their jurisdictions and with CSA counterparts.

In March 2024, the CSA, CIRO and OBSI published a joint Investor Alert[7] reminding investors that it is not necessary to use a claims management company to interact with them in a claim or complaint process, and to exercise caution if investors decide to use claim management companies. This publication followed discussion with OBSI regarding concern around the volume of complaints received from companies engaged in activities such as advising, investigating, and managing complaints on behalf of investors for an often-significant fee that is either charged upfront or taken as a percentage of any money that may be recovered through the claim or complaint process.

6. **OBSI assumes expanded mandate as the sole banking complaints ombudsman:** On November 1, 2024, OBSI assumed responsibilities as the sole external complaints body (**ECB**) for the banking industry. Ahead of this transition, OBSI regularly and proactively kept the JRC apprised of its efforts to respond efficiently to related implications such as increases in overall case volumes and significant organizational growth. As noted, despite an increase in overall case volumes contributing to a delay in assigning investment cases to investigators in late 2023, OBSI successfully adapted to the increased demand and resumed meeting benchmarks in 2024.

7. **Review and consideration of stakeholder feedback:** The JRC receives stakeholder feedback predominantly through its dedicated inbox (ContactJRC-CMOR@acvm-csa.ca). The JRC regularly discusses the feedback, considers opportunities to enhance the effectiveness of its oversight in accordance with its mandate, and implements changes where appropriate. Where feedback falls outside of the JRC's mandate and areas of oversight, it is referred to OBSI, the relevant CSA project or committee, or the relevant jurisdiction or to CIRO for consideration.

8. **Consultations regarding CIRO programs:** CIRO shared with other JRC members and with OBSI developments regarding its consultation published in October 2024 proposing to modernize its Arbitration Program and its view that the Program continues to offer a unique dispute resolution mechanism as an alternative to civil litigation.

   The JRC continued to discuss issues engaged by the consultation, such as the Arbitration Program's coexistence with other dispute resolution options available to investors, particularly the services provided by OBSI. JRC discussion noted that the consultation raised the consideration that limiting the availability of the Arbitration Program to claims above OBSI's compensation limit could alleviate concerns regarding investor confusion and possible impact on investor decision-making in the case of overlap between claims that can be pursued through either OBSI or the Arbitration Program. JRC discussion also acknowledged OBSI's concerns raised in response to CIRO's consultation, including with respect to making the Arbitration Program available to investors who abandon or withdraw from OBSI's dispute resolution process.

   CIRO also shared developments regarding its consultation to distribute funds disgorged and collected through disciplinary proceedings to harmed investors, also published for comment in October 2024. The JRC acknowledged CIRO's efforts to establish a mechanism for the distribution of collected disgorged funds to harmed investors.

9. **Meeting with representatives from the AFCA:** The JRC appreciated the opportunity to meet with representatives from AFCA to discuss matters of shared interest, including emerging issues, risks and challenges in dispute resolution, common complaint types, and effective information sharing mechanisms, including with respect to systemic issues, between regulators and ombudservices.

JRC Meeting with OBSI's Board of Directors

As set out by the MOU, an annual meeting of the JRC with the OBSI Board was held on December 12, 2024. In addition to broader discussions on operating and governance issues and the effectiveness of OBSI's processes, discussion focused on the CSA's continued work to introduce binding authority for and commensurate oversight of an independent dispute resolution service whose decisions would be binding, and OBSI's transition to the new single ECB system for the banking industry.

OBSI Annual Report

For additional information on OBSI, readers may wish to review OBSI's Annual Report for its fiscal year ending October 31, 2024.

Comments

We appreciate the feedback received on previous annual reports from various stakeholders and welcome comments on this annual report and any matter relating to the JRC's oversight of OBSI. Please send your comments to ContactJRC-CMOR@acvm-csa.ca.

[7] Investor Alert: Investors are not required to use claims management companies to communicate with the CSA, CIRO or OBSI, March 19, 2024.

Questions

Please refer your questions regarding this CSA Staff Notice to any of the following CSA staff:

Theresa Ebden
VP, Investor Office
Ontario Securities Commission
416-627-6423
tebden@osc.gov.on.ca

Mark Wang
Director, Capital Markets Regulation
British Columbia Securities Commission
604-899-6658
mwang@bcsc.bc.ca

Paola Cifelli
Manager, Investor Office
Ontario Securities Commission
416 263-7669
pcifelli@osc.gov.on.ca

Meg Tassie
Senior Advisor, Capital Markets Regulation
British Columbia Securities Commission
604-899-6819
mtassie@bcsc.bc.ca

Carlin Fung
Senior Accountant, Registration,
Inspections & Examinations
Ontario Securities Commission
416-593-8226
cfung@osc.gov.on.ca

Eniko Molnar
Senior Legal Counsel, Market Regulation
Alberta Securities Commission
403-297-4890
eniko.molnar@asc.ca

Antoine Bédard
Senior Director, Client Services & Financial Education
Autorité des marchés financiers
418-525-0337, ext.2751
1-877-525-0337, ext. 2751
antoine.bedard@lautorite.qc.ca

B.2
Orders

B.2.1 BlueRush Inc.

Headnote

Application for partial revocation of a cease trade order – issuer cease traded due to failure to file with the Commission audited annual financial statements, related management's discussion and analysis and certification of the foregoing filings, as required by Ontario securities law – issuer has applied for partial revocation of the cease trade order to permit the issuer to proceed with a private placement to accredited investors and employees, executive officers, directors or consultants of the issuer – issuer will use proceeds from private placement to prepare and file continuous disclosure documents and pay related fees – partial revocation granted subject to conditions.

Applicable Legislative Provisions

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

BLUERUSH INC.

PARTIAL REVOCATION ORDER

UNDER THE SECURITIES LEGISLATION OF ONTARIO (the Legislation)

Background

1. BlueRush Inc. (the **Issuer**) is subject to a failure-to-file cease trade order (the **FFCTO**) issued by the Ontario Securities Commission (the **Principal Regulator**) on December 4, 2024.

2. The Issuer has applied to the Principal Regulator for a partial revocation of the FFCTO.

Interpretation

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

Representations

3. This decision is based on the following facts represented by the Issuer:

   (a) The Issuer was incorporated under the *Business Corporations Act* (Ontario) on April 6, 2004. On July 8, 2004, the articles of the Issuer were amended to remove the private company restrictions. On December 4, 2007, the articles of the Issuer were amended to change the name of the Issuer from Soyers Capital Limited to BlueRush Media Group Corp. On April 27, 2018, the articles of the Issuer were amended to change the name of the Issuer from BlueRush Media Group Corp. to BlueRush Inc. On December 8, 2022, the articles of the Issuer were amended to consolidate the common shares of the Issuer (the **Common Shares**).

   (b) The Issuer's head office is located in Toronto, Ontario.

   (c) The Issuer, through its wholly-owned operating subsidiary, is a personalized video Software as a Service (SaaS) company that builds and delivers products and services that engage customers in the digital channels.

   (d) The Issuer is a reporting issuer in each of Ontario, Alberta and British Columbia. The Issuer is not a reporting issuer in any other jurisdiction of Canada.

   (e) The authorized capital of the Issuer consists of an unlimited number of Common Shares, of which 68,528,791 are issued and outstanding as of the date hereof. In addition, the Issuer has options outstanding which are exercisable into 3,960,000 Common Shares, warrants outstanding which are exercisable into 45,398,437 Common Shares, broker warrants outstanding which are exercisable into 2,157,500 Common Shares, and

approximately US$3,023,995 principal amount of debt outstanding which is comprised of 10.0% unsecured convertible debentures that mature on June 30, 2026 and that are convertible, at the holder's election, into Common Shares at US$0.20 per share (the **Convertible Debentures**).

(f) The Issuer is in default of its obligations under the Convertible Debentures as a result of failing to make an annual interest payment.

(g) The Common Shares are currently listed on the TSX Venture Exchange (the **TSXV**) under the symbol "BTV". The securities of the Issuer are not listed or quoted on any other exchange or marketplace in Canada or elsewhere.

(h) In connection with the FFCTO, on December 5, 2024, the Common Shares were suspended from trading on the TSXV.

(i) The FFCTO was issued as a result of the Issuer's failure to file the following continuous disclosure documents as required by Ontario securities law:

(i) audited annual financial statements for the year ended July 31, 2024, as required by National Instrument 51-102 *Continuous Disclosure Obligations* (**NI 51-102**),

(ii) management's discussion and analysis (**MD&A**) relating to the audited annual financial statements for the year ended July 31, 2024, as required by NI 51-102, and

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

(collectively, the **Required Documents**).

(j) The Required Documents were not filed in a timely manner as a result of financial obligations to the auditors.

(k) Subsequent to the failure to file the Required Documents, the Issuer also failed to file the following documents:

(i) interim unaudited financial statements for the interim periods ended October 31, 2024, January 31, 2025 and April 30, 2025,

(ii) MD&A relating to the financial statements referred to in subparagraph (i) above, and

(iii) certificates required to be filed in respect of the financial statements and MD&A referred to in subparagraphs (i) and (ii) immediately above pursuant to NI 52-109,

(together with the Required Documents, the **Required Continuous Disclosure**).

(l) The Issuer is seeking a partial revocation of the FFCTO to permit the Issuer to conduct a financing on a private placement basis (the **Proposed Financing**), pursuant to which one or more investors (**Investors**) will advance in aggregate up to $750,000 in favour of the Issuer in the form of a secured loan pursuant to a credit agreement. It is anticipated that the loan will have a term of 6 months from the date of issuance thereof and will accrue interest at a rate of 5% per annum. The loan is expected to be secured against all of the assets of the Issuer, subordinate to the Issuer's senior lender, pursuant to a general security agreement.

(m) The Proposed Financing consists solely of the secured loan which will not be convertible pursuant to its terms into Common Shares or other securities of the Issuer.

(n) The Proposed Financing will be conducted on a prospectus exempt basis with Investors resident in Canada in reliance on, and in accordance with:

(i) the prospectus exemption in section 2.24 [*Employee, executive officer, director and consultant*] of National Instrument 45-106 *Prospectus Exemptions* (**NI 45-106**), or

(ii) the accredited investor exemption in section 73.3 of the *Securities Act* (Ontario) (the **Act**) or section 2.3 of NI 45-106, as applicable.

In the event that any Investors are located in the United States, the Proposed Financing will be conducted (i) pursuant to the exemption for accredited investors under SEC Rule 506(c), and (ii) in accordance with the prospectus exemption in section 2.3 of OSC Rule 72-503 *Distributions Outside Canada*.

(o) The Proposed Financing is subject to certain filings required by the TSXV and will be completed in accordance with all applicable laws.

(p) The Issuer is seeking a partial revocation of the FFCTO to conduct the Proposed Financing to enable it to raise the funds necessary to prepare and file the Required Continuous Disclosure and provide it with sufficient working capital to fund the expenses as outlined below in order to continue its operations and achieve its operational milestones until it can apply for a full revocation of the FFCTO.

(q) The Issuer is not considering, nor is it involved in, any discussions relating to a reverse take-over, merger, amalgamation or other form of combination or transaction similar to any of the foregoing.

(r) Other than the failure to file the Required Continuous Disclosure and pay any related filing fees, participation fees and late fees, the Issuer is not in default of any of the requirements of applicable securities legislation in any jurisdiction of Canada. The Issuer is not in default of the FFCTO. The Issuer's SEDAR+ and SEDI profiles are up to date.

(s) The Issuer intends to use the proceeds of the Proposed Financing to (i) resolve outstanding audit and other fees, (ii) prepare and file the Required Continuous Disclosure (including the audited annual financial statements), (iii) pay all other costs associated with applying for a full revocation of the FFCTO, and (iv) otherwise satisfy its operational and contractual commitments as well as its operating expenses during the period that the FFCTO remains in effect to ensure the continuity of the Issuer's business during such time, in each case until the Issuer is in a position to fund operations through sales or raise capital from other sources upon the issuance of a full revocation order in respect of the FFCTO. The proposed allocation of the proceeds of the Proposed Financing for such purposes is as follows:

PURPOSE	**AMOUNT**
Audit, legal fees and other professional fees	$475,000
Regulator fees in respect of full revocation order	$25,000
Shareholder Meeting and TSXV Expenses	$10,000
Accounts Payable with key arm’s length vendors	$190,000
Working Capital	$50,000
TOTAL:	**$750,000**

(t) Subsequent to this partial revocation order being granted and within a reasonable time following the completion of the Proposed Financing, the Issuer intends to apply for and obtain a full revocation of the FFCTO by filing the Required Continuous Disclosure, paying all outstanding fees and correcting any other continuous disclosure deficiencies that may subsequently arise.

(u) Subject to completion of the Proposed Financing, the Issuer anticipates filing all of the Required Continuous Disclosure and bringing its continuous disclosure record up to date on or before August 29, 2025.

(v) The Issuer reasonably believes that the proceeds from the Proposed Financing will be sufficient to bring its continuous disclosure obligations up to date and pay all related outstanding fees and provide it with sufficient working capital to continue its business.

(w) The Proposed Financing may be considered to involve a trade of securities and acts in furtherance of trades and cannot be completed without a partial revocation of the FFCTO.

(x) Upon issuance of this partial revocation order and completion of the necessary filings for the Proposed Financing with the TSXV, the Issuer will issue a press release announcing this partial revocation order and the intention to complete the Proposed Financing. Upon completion of the Proposed Financing, the Issuer will issue a press release and file a material change report. As other material events transpire, the Issuer will issue appropriate press releases and material change reports as applicable.

(y) Since the issuance of the FFCTO, there have not been any material changes in the business, operations or affairs of the Issuer that have not been disclosed to the public.

Order

4. The Principal Regulator is satisfied that this order to partially revoke the FFCTO meets the test set out in the Legislation for the Principal Regulator to make the decision.

5. The decision of the Principal Regulator under the Legislation is that the FFCTO is partially revoked as it applies to the Issuer and its agents solely to permit the trades in securities of the Issuer (including for greater certainty, acts in furtherance of trades in securities of the Issuer) that are necessary for and are in connection with the Proposed Financing, provided that:

   (a) prior to completion of the Proposed Financing, the Issuer will:

      (i) provide to each Investor under the Proposed Financing a copy of the FFCTO,

      (ii) provide to each Investor under the Proposed Financing a copy of this partial revocation order, and

      (iii) obtain from each Investor under the Proposed Financing a signed and dated acknowledgement, which clearly states that all of the Issuer's securities, including the securities issued in connection with the Proposed Financing, will remain subject to the FFCTO until a full revocation order is granted and that the issuance of a partial revocation order does not guarantee the issuance of a full revocation order in the future;

   (b) the Issuer will make available a copy of the written acknowledgements referred to in paragraph 5(a)(iii) above to staff of the Principal Regulator on request;

   (c) this partial revocation order only varies the FFCTO and does not provide an exemption from the prospectus requirement; and

   (d) this partial revocation order will terminate on the earlier of:

      (i) the completion of the Proposed Financing, and

      (ii) 90 days from the date hereof.

DATED this 10th day of July, 2025.

“Erin O’Donovan”
Associate Vice President, Corporate Finance
Ontario Securities Commission

OSC File #: 2024/0717

B.2.2 The Cross Winds Apartment Project

Headnote

Multilateral Instrument 11-102 Passport System and National Policy 11-206 Process for Cease to be a Reporting Issuer Applications – Cease to be a reporting issuer in MB – the issuer ceases to be a reporting issuer under securities legislation of each of the Jurisdictions of Canada – the securities of the issuer are beneficially owned by more than 15 security holders in a Jurisdiction and more than 51 securityholders worldwide. Units are not traded through any exchange or market.

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, s. 1(10)(a)(ii).
National Policy 11-206 Process for Cease to be a Reporting Issuer Applications.

Order No. 7702

June 04, 2025

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

AND

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

AND

IN THE MATTER OF
THE CROSS WINDS APARTMENT PROJECT
(the Filer)

ORDER

Background

The securities regulatory authority 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 Manitoba 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, Alberta, Saskatchewan, Ontario, Québec and Prince Edward Island; 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 a project formed under the laws of the Province of Ontario pursuant to a unitholders' agreement dated October 1, 1980, as amended, and a reporting issuer in British Columbia, Alberta, Saskatchewan, Manitoba. Ontario, Québec and Prince Edward Island (the **Reporting Jurisdictions**). As the Filer is not a corporation, it is not subject to the *Business Corporations Act* (Ontario).

2. the Filer's head office is located at 2600 Seven Evergreen Place in Winnipeg, Manitoba.

3. the Filer owns and operates a 347-suite residential apartment property located in Ottawa, Ontario (the **Project**). Shelter Canadian Properties Limited (**Shelter**), a private real estate company involved in property management and development, manages the Project.

4. the Filer's authorized capital consists of 200 units (the **Units**), of which 200 Units are issued and outstanding as at the date hereof. The Filer has no securities (including debt securities) issued and outstanding, other than the Units and non-convertible mortgage loans which are secured against the Project and assets of the Filer.

5. the Filer became a reporting issuer in British Columbia, Alberta, Saskatchewan, Manitoba. Ontario, Québec and Prince Edward Island when it distributed securities pursuant to prospectuses dated October 3, 1980 (the **Offering**). The Offering related to the purchase and operation of the Project.

6. based upon the Filer's records, and to the best knowledge of the Filer, the Units are held by 63 unitholders – 23 in British Columbia, 16 in Manitoba, 11 in Ontario, 8 in Alberta, 1 in Saskatchewan, 1 in Québec, 1 in Newfoundland and Labrador, 1 in Prince Edward Island and 1 non-resident of Canada.

7. to the best knowledge of the Filer, the current unitholders consist of the original unitholders and unitholders that resulted from foreclosures, liquidation by the original unitholders to an affiliate

of Shelter and transfers from the estates of the original unitholders.

8. all of the original unitholders were residents in the Reporting Jurisdictions at the time of the Offering.

9. the Filer is not eligible to cease to be a reporting issuer pursuant to the simplified procedure in Section 19 of NP 11-206 as the Filer has 23 unitholders in British Columbia, 16 unitholders in Manitoba and 63 unitholders in total.

10. the Filer conducted a vote of its unitholders, at a meeting of the unitholders held on February 26, 2025, and a majority of the unitholders voted in favour of the Filer making an application to the Commission to cease to be a reporting issuer, with 100% of the votes received being affirmative votes.

11. the Filer's only asset is the Project. The Filer does not intend to acquire any other assets.

12. the Filer is not an OTC reporting issuer under Multilateral Instrument 51-105 – Issuers Quoted in the U.S. Over-the-Counter Markets.

13. 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.

14. the Filer is not in default of securities legislation in any jurisdiction.

15. with respect to the continuing protection of current and future unitholders, the Filer will continue to prepare and deliver to the unitholders annual audited and semi-annual unaudited financial statements prepared in accordance with the unitholder agreement of the Filer.

16. the Filer, upon the grant of the Order Sought, will no longer be a reporting issuer in any jurisdiction of Canada.

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.

"Patrick Weeks"
Deputy Director
Manitoba Securities Commission

OSC File #: 2025/0144

B.2.3 Ascendant Resources Inc. – 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
ASCENDANT RESOURCES INC.
(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 Applicant's head and registered office is located at 200 Bay Street, Suite 3205, Toronto, Ontario M5J 2J2;

3. the Applicant has no intention to seek public financing by way of an offering of securities;

4. on June 24, 2025, 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 the equivalent in any other jurisdiction of Canada in accordance with the simplified procedure for other applications 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 day of July 14, 2025.

"David Surat"
Associate Vice President, Corporate Finance
Ontario Securities Commission

OSC File #: 2025/0372

B.3
Reasons and Decisions

B.3.1 Manulife Investment Management Limited

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Existing and future investment funds granted an exemption from paragraphs 2.5(2)(a), 2.5(2)(a.1) and 2.5(2)(c) of NI 81-102 to invest up to 10% of net assets, in aggregate, in securities of SICAV Funds governed by the laws of Luxembourg and UCITS Funds governed by the Central Bank of Ireland – Underlying foreign funds are subject to similar investment restrictions and disclosure requirements as top funds – Relief granted subject to conditions.

Applicable Legislative Provisions

National Instrument 81-102 Investment Funds, ss. 2.5(2)(a), 2.5(2)(a.1) and 2.5(2)(c) and 19.1.

July 8, 2025

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

AND

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

AND

IN THE MATTER OF
MANULIFE INVESTMENT MANAGEMENT LIMITED
(the Filer)

DECISION

Background

The principal regulator in the Jurisdiction has received an application from the Filer, on behalf of the **Proposed Top Fund** (as defined below), and any existing and future investment funds that are or will be managed by the Filer or an affiliate or associate of the Filer (the **Future Top Funds**, and together with the Proposed Top Fund, the **Funds**, and individually, a **Fund**), for a decision under the securities legislation of the principal regulator (the **Legislation**) exempting each Fund from the following clauses of National Instrument 81-102 *Investment Funds* (**NI 81-102**):

(a) 2.5(2)(a) and (a.1) to permit each Fund to purchase and/or hold securities of Underlying Funds, which are SICAV Funds and/or UCITS Funds (each as defined below) even though the Underlying Funds are not subject to NI 81-102; and

(b) 2.5(2)(c) to permit each Fund to purchase and/or hold securities of Underlying Funds even though the Underlying Funds are not reporting issuers in any province or territory of Canada (collectively, the **Exemption Sought**).

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

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

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

Interpretation

Terms defined in MI 11-102, National Instrument 14-101 *Definitions* and NI 81-102 have the same meanings if used in this decision, unless otherwise defined. Additionally, the following terms have the following meanings:

Companies Act means the *Companies Act 2014* (Ireland) as amended, all enactments which are to be read as one with, or construed or read together with, or as one with, the *Companies Act 2014* (Ireland) and every statutory modification and re-enactment thereof for the time being in force.

CSSF means Commission de Surveillance du Secteur Financier.

EU Directives means *EU Council Directive 2009/65/EC of 13 July 2009 on the Coordination of Laws, Regulations and Administrative Provisions relating to UCITS,* as amended, including but not limited to, Commission Directive 2010/43/EC, Commission Directive 2010/44/EC, and Commission Directive 2014/91/EC.

Proposed Top Fund means Manulife CQS Multi Asset Credit Fund.

KIID means a Key Investor Information Document prepared by a UCITS Corporation for each of the Underlying Funds which contains disclosure similar to that required to be included in a fund facts document prepared under NI 81-101 or an ETF facts document prepared under NI 41-101.

NI 41-101 means National Instrument 41-101 *General Prospectus Requirements*.

NI 81-101 means National Instrument 81-101 *Mutual Fund Prospectus Disclosure*.

SICAV means Société d'Investissement à Capital Variable, an open-end company, governed by the laws of Luxembourg.

SICAV Funds means each of the existing sub-funds of an umbrella SICAV with UCITS status and other sub-funds of an umbrella SICAV with UCITS status established in the future.

UCITS means *Undertaking for Collective Investments in Transferable Securities* and refers to the investment funds authorized by the European Union as investment funds suitable to be distributed in more than one country in the European Union.

UCITS Corporations means investment companies with variable capital, incorporated in Ireland pursuant to the Companies Act and the UCITS Regulations.

UCITS Funds means each of the existing sub-funds of the UCITS Corporations and other sub-funds of the UCITS Corporations established in the future under one of the UCITS Corporations.

UCITS Notices means the series of UCITS notices, memorandums, guidelines and letters issued by the Central Bank of Ireland or the CSSF, as the case may be.

UCITS Regulations means the regulations issued by European Union member states that implement the EU Directives.

Underlying Fund means a SICAV Fund or a UCITS Fund.

Underlying Fund Manager means the promoter, investment manager and distributor of an Underlying Fund.

Representations

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

The Filer

1. The Filer is a corporation amalgamated under the laws of Canada. The Filer's head office is located in Toronto, Ontario.

2. The Filer is currently registered as a portfolio manager in each province and territory of Canada, an investment fund manager in each of Ontario, Québec and Newfoundland and Labrador, a commodity trading manager in Ontario and a derivatives portfolio manager in Québec.

3. The Filer or an affiliate is, or will be, the investment fund manager of the Funds.

4. The Filer is not in default of securities legislation in any of the Jurisdictions.

The Funds

5. Each Fund is, or will be, an investment fund, such as, for clarity, a conventional mutual fund, an exchange-traded mutual fund or an alternative mutual fund.

6. Each Fund is, or will be, organized and governed by the laws of Canada or a Jurisdiction.

7. Each Fund is, or will be, governed by the applicable provisions of NI 81-102, subject to any relief therefrom that has been, or may in the future be, granted by the securities regulatory authorities.

8. Each Fund is, or will be, a reporting issuer in one or more of the Jurisdictions.

9. The Proposed Top Fund is not in default of applicable securities legislation in any Jurisdiction.

10. Each investment by a Fund in securities of an Underlying Fund will be made in accordance with the investment objectives of the Fund and will represent the business judgment of responsible persons uninfluenced by considerations other than the best interests of the Fund.

11. Subject to compliance with NI 81-102, the investment objectives and strategies of each Fund would permit the Fund to invest in securities of the Underlying Funds.

The Underlying Funds

12. A Fund may, from time to time, invest up to 10% of its net asset value in securities of an Underlying Fund.

13. The UCITS Funds are sub-funds of a UCITS Corporation and are subject to the UCITS Regulations.

14. The SICAV Funds are sub-funds of an umbrella SICAV with UCITS status under the laws of Luxembourg and are subject to UCITS Regulations.

15. The Underlying Funds are conventional mutual funds subject to investment restrictions and practices that are substantially similar to those applicable to the Funds. The Underlying Funds are available for purchase by the public and are generally not considered hedge funds. Each of the Underlying Funds is considered to be an “investment fund” and a “mutual fund” within the meaning of applicable Canadian securities legislation.

16. The Underlying Funds qualify as UCITS and the securities of the Underlying Funds are distributed in accordance with the UCITS Regulations. Each UCITS Fund is regulated by the Central Bank of Ireland and each SICAV Fund is regulated by the CSSF.

17. The Underlying Funds are qualified for purchase by way of a prospectus, relating to the UCITS Corporations and the umbrella SICAVs, and an individual prospectus supplement pertaining to each sub-fund of the UCITS Corporations and the umbrella SICAVs, including each of the Underlying Funds. In addition to the prospectus and prospectus supplement, the UCITS Corporations and the umbrella SICAVs prepare a KIID for each of the Underlying Funds.

18. An Underlying Fund Manager serves as the promoter, investment manager and distributor of each sub-fund of the UCITS Corporations and the umbrella SICAVs. An Underlying Fund Manager, subject to the supervision of the directors of the UCITS Corporations or the umbrella SICAV, as the case may be, is responsible for the investment management, distribution and marketing of the Underlying Funds. The Underlying Fund Manager provides an investment program for the Underlying Funds and manages the investment of the Underlying Funds’ assets.

19. An Underlying Fund Manager, being subject to regulatory oversight by the Central Bank of Ireland or CSSF, is subject to substantially equivalent regulatory oversight as the Filer, which is principally regulated by the OSC. In discharging its duties, the Underlying Fund Manager must conduct its business with due skill, care and diligence.

20. The Underlying Funds are subject to the following regulatory requirements and restrictions pursuant to, and among others, the EU Directives, which are substantially similar to the requirements and restrictions set forth in NI 81-102:

    (a) Each Underlying Fund is subject to a robust risk management framework through prescribed rules on governance, risk, regulation of service providers and safekeeping of assets.

    (b) Each Underlying Fund is restricted to investing a maximum of 10% of its net assets in a single issuer.

    (c) Each Underlying Fund is subject to investment restrictions designed to limit its holdings of illiquid securities to 10% or less of its net asset value.

    (d) Each Underlying Fund is subject to investment restrictions designed to limit holdings of transferrable securities which are not listed on a stock exchange or regulated market to 10% or less of the Underlying Fund’s net asset value.

(e) The rules governing the use of derivatives by the Underlying Funds are comparable to the rules regarding the use of derivatives under NI 81-102 with respect to the types of derivatives allowed to be used and counterparty concentration. For Funds that are not alternative funds, the differences between the two regimes relate to: (i) counterparty credit ratings; (ii) maximum exposure to options; and (iii) having to hold cash and collateral together with the market value of the derivatives equal to the underlying market exposure of the derivatives (on a mark-to-market basis) where the funds use derivatives for investment purposes.

(f) The rules governing securities lending by the Underlying Funds are comparable to the rules regarding securities lending under NI 81-102 including, the inability to pledge non-cash collateral and the right to immediately recall the securities loaned. The differences between NI 81-102 and the rules pertaining to the Underlying Funds relate to the following: (i) the type and amount of collateral; (ii) the person who may be appointed as agent for securities lending; (iii) the types of securities that may be purchased with collateral received; and (iv) the overall securities lending limits.

(g) Each Underlying Fund makes, or will make, its net asset value of its holdings available to the public at the close of business each day.

(h) Each Underlying Fund is required to prepare a prospectus and prospectus supplement that discloses material facts pertaining to each Underlying Fund. The prospectus, together with the corresponding prospectus supplement, provide disclosure that is similar to the disclosure required to be included in a simplified prospectus under NI 81-101 or in a prospectus under NI 41-101.

(i) Each Underlying Fund publishes a KIID which contains disclosure similar to that required to be included in a fund facts document prepared under NI 81-101 or an ETF facts document under NI 41-101.

(j) Each Underlying Fund is subject to continuous disclosure obligations which are similar to the disclosure obligations of the Funds under National Instrument 81-106 *Investment Funds Continuous Disclosure*.

(k) The Underlying Fund Manager is subject to approval by the Central Bank of Ireland or the CSSF to permit it to manage and provide portfolio management advice to each Underlying Fund and is subject to an investment management agreement which sets out a duty of care and a standard of care requiring the Underlying Fund Manager to act in the best interest of each Underlying Fund and the shareholders of each Underlying Fund.

(l) All activities of the Underlying Fund Manager must be conducted at all times in accordance with the UCITS Regulations, the UCITS Notices and the investment policy of each Underlying Fund and are at all times subject to the supervision of the board of directors of the UCITS Corporation.

(m) The auditors of each Underlying Fund are required to prepare an audited set of accounts for each Underlying Fund at least annually.

Investment by Funds in the Underlying Funds

21. The investment objective and strategies of each Fund are, or will be, disclosed in each Fund's prospectus or simplified prospectus and any Fund that invests in an Underlying Fund will be permitted to do so in accordance with its investment objectives and strategies.

22. In particular, the investment strategies of each Fund stipulate, or will stipulate, that the Fund may invest a portion of its assets in other investment funds, domestic or foreign, which will permit each Fund to invest in an Underlying Fund.

23. The prospectus or simplified prospectus of each Fund provides, or will provide, all disclosure mandated for investment funds investing in other investment funds.

24. There will be no duplication of management fees or incentive fees as a result of an investment by a Fund in an Underlying Fund.

25. The amount of loss that could result from an investment by a Fund in an Underlying Fund will be limited to the amount invested by the Fund in such Underlying Fund.

26. No sales charges or redemption fees will be paid by a Fund relating to a subscription for, or redemption of, securities of an Underlying Fund.

Rationale for Investment in the Underlying Fund

27. The Filer believes that it is in the best interests of the Funds that they be permitted to invest in the Underlying Funds because such investment would provide an efficient and cost- effective way for the Funds to achieve diversification and obtain unique exposures to the markets in which the Underlying Funds invest.

28. The investment objectives and strategies of the Funds, which contemplate or will contemplate investment in global or international securities, permit or will permit the allocation of assets to global or international securities. As economic conditions change, the Funds may reallocate assets, including on the basis of asset class or geographic region. A Fund will invest in an Underlying Fund to gain exposure to certain unique strategies in global or international markets in circumstances where it would be in the best interests of the Fund to do so through an investment in an investment fund offered elsewhere rather than through investments in individual securities. For example, a Fund will invest in the Underlying Funds in circumstances where certain investment strategies preferred by the Funds are either not available or not cost effective to be implemented through investments in individual securities.

29. By investing in the Underlying Funds, the Funds will obtain the benefits of diversification, which would be more expensive and difficult to replicate using individual securities. This will reduce single issuer risk.

30. Investment by a Fund in an Underlying Fund meets, or will meet, the investment objectives of such Fund.

31. An investment by a Fund in securities of each Underlying Fund will represent the business judgement of responsible persons uninfluenced by considerations other than the best interests of the Fund.

32. Absent the Exemption Sought, the investment restriction in paragraphs 2.5(2)(a)(i) and 2.5(2)(a.1)(i) of NI 81-102 would prohibit a Fund that is a mutual fund or alternative mutual fund, respectively, from purchasing or holding securities of an Underlying Fund because the Underlying Fund is not subject to NI 81-102.

33. Absent the Exemption Sought, the investment restriction in paragraph 2.5(2)(c) of NI 81-102 would prohibit a Fund that is an investment fund from purchasing or holding securities of an Underlying Fund because the Underlying Fund is not a reporting issuer in the local jurisdiction.

Decision

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

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

(a) the Underlying Funds qualify as UCITS and are distributed in accordance with the UCITS Regulations, which subject the Underlying Funds to investment restrictions and practices that are substantially similar to those that govern the Funds;

(b) the investment of the Funds in the Underlying Funds otherwise complies with section 2.5 of NI 81-102 when investing in the Underlying Funds, and the prospectus will provide all applicable disclosure mandated for investment funds investing in other investment funds;

(c) a Fund does not invest in an Underlying Fund if, immediately after the investment, more than 10% of its net assets, taken at market value at the time of the investment, would consist of investments in Underlying Funds;

(d) a Fund shall not acquire any additional securities of an Underlying Fund and shall dispose of any securities of an Underlying Fund then held in the event the regulatory regime applicable to the Underlying Funds is changed in any material way;

(e) the investment by a Fund in securities of an Underlying Fund is made, or will be made, in accordance with the investment objective of the Fund; and

(f) the prospectus of each Fund discloses, or will disclose in the next renewal of its prospectus following the date of this decision, in the investment strategy section, the fact that the Fund has obtained the Exemption Sought to permit investments in Underlying Funds on the terms described in this decision.

“Darren McKall”
Associate Vice President
Investment Management Division
Ontario Securities Commission

Application File #: 2025/0387
SEDAR+ File #: 6300671

B.3.2 JPMorgan Asset Management (Canada) Inc. and The Funds

Headnote

Multilateral Instrument 11-102 Passport System and National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – National Instrument 81-102 Investment Funds – An investment fund seeks relief from the borrowing requirements in s. 2.6(1)(a)(i) – Any additional borrowing above 5% of a conventional mutual fund's net asset value may only be made when a fund has used all of its liquidity reserve and cannot exceed the amount a fund expects to receive from an investor's purchase of fund securities or from the sale of portfolio securities to honour an investor's redemption request, as applicable; the outstanding amount of all borrowings of the fund do not exceed 10% of the fund's net asset value; investors will be provided with disclosure of the relief provided.

Applicable Legislative Provisions

National Instrument 81-102 Investment Funds, ss. 2.6(1)(a)(i) and 19.1.

Citation: 2025BCSECCOM 301

July 7, 2025

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

AND

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

AND

IN THE MATTER OF
JPMORGAN ASSET MANAGEMENT (CANADA) INC.
(the Filer)

AND

IN THE MATTER OF
THE FUNDS
(as defined below)

DECISION

Background

¶ 1 The securities regulatory authority or regulator in each of the Jurisdictions (Decision Maker) has received an application from the Filer for a decision under the securities legislation of the Jurisdictions (the Legislation) exempting all current and future mutual funds that are not alternative mutual funds and that (i) are, or will be, reporting issuers and (ii) are, or will be, managed by the Filer or an affiliate or successor of the Filer (collectively, the Funds and individually, a Fund) from the Borrowing Limit (as defined below) of National Instrument 81-102 *Investment Funds* (NI 81-102) to allow each Fund to borrow cash on a temporary basis in an amount that does not exceed 10% of its net asset value at the time of borrowing to:

(a) accommodate requests for the redemption of securities of the Fund (each a Fund Redemption) while the Fund settles portfolio transactions initiated to satisfy such redemption requests (the Redemption Relief); and

(b) permit the Fund to settle a purchase of Portfolio Securities (as such term is defined below) (each a Portfolio Security Purchase) that is executed in anticipation of the settlement of an investor's purchase of securities of the Fund (each a Fund Purchase, and such relief, the Purchase Relief and together with the Redemption Relief, the Exemption Sought).

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

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

(b) the Filer has provided notice that section 4.7(1) of Multilateral Instrument 11-102 *Passport System* (MI 11-102) is intended to be relied upon in each of Alberta, Saskatchewan, Manitoba, Québec, New Brunswick, Nova Scotia, Prince Edward Island, Newfoundland and Labrador, the Northwest Territories, Nunavut and Yukon in respect of the Exemption Sought, and

(c) the decision with respect to the Exemption Sought is the decision of the Principal Regulator and evidences the decision of the regulator in Ontario.

Interpretation

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

(a) Borrowing Limit means the five percent (5%) of net asset value threshold on cash borrowing in subparagraph 2.6(1)(a)(i) of NI 81-102.

(b) Fund Securities means the shares or units of a Fund.

(c) Liquidity Reserve means cash held by a Fund to manage the Fund's liquidity needs.

(d) Portfolio Securities means the securities held or purchased by a Fund.

(e) Pricing Date means the date on which the net asset value per Fund Security is calculated for the purpose of determining the price at which the Fund Security is to be issued or redeemed, as applicable.

(f) T+1 Securities means securities the trades in respect of which customarily settle on the first business day after a Trade Date.

(g) T>1 Securities means securities the trades in respect of which customarily settle on a day that is later than the first business day after a Trade Date.

(h) Trade Date means the date upon which pricing for a trade in a security is determined.

Representations

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

The Filer and the Funds

1. the Filer is a corporation formed by amalgamation pursuant to a certificate of amalgamation, dated August 3, 2004, as amended by a certificate of amendment dated February 24, 2005, under the laws of Canada;

2. the Filer is registered as an investment fund manager in British Columbia, Newfoundland and Labrador, Ontario and Québec and an exempt market dealer and portfolio manager in Alberta, British Columbia, Manitoba, New Brunswick, Newfoundland and Labrador, the Northwest Territories, Nova Scotia, Nunavut, Ontario, Prince Edward Island, Québec and Saskatchewan. The head office of the Filer is in Vancouver, British Columbia;

3. each Fund is or will be, managed by the Filer or by an affiliate or successor of the Filer;

4. the Funds are, or will be, mutual funds subject to NI 81-102 that are not alternative mutual funds and are, or will be, reporting issuers in one or more of the Jurisdictions;

5. none of the Filer nor any of the Funds existing as at the date hereof are in default of securities legislation of any jurisdiction of Canada;

Background on Settlement Requirements for North American Securities

6. on December 1, 2021, the securities industry in the United States, represented by the Securities Industry and Financial Markets Association, the Investment Company Institute, and The Depository Trust & Clearing Corporation, published a report targeting the first half of 2024 to shorten the United States securities settlement cycle from the second business day after the Trade Date, commonly referred to as "T+2", to one business day

after the Trade Date, commonly referred to as "T+1". On the same day, the Canadian Capital Markets Association (the CCMA) announced its plans to facilitate shortening Canada's standard securities settlement cycle from T+2 to T+1;

7. the Canadian Securities Administrators (the CSA) subsequently published CSA Staff Notice 24-318 Preparing for the Implementation of T+1 Settlement, which outlined their position on the benefits of shorter settlement cycles and highlighted the need for close collaboration and coordination across the Canadian securities industry to transition to T+1 settlement in alignment with U.S. markets;

8. on May 27, 2024 (the Implementation Date), Canada moved to the T+1 settlement cycle and on May 28, 2024, the United States moved to the T+1 settlement cycle;

9. despite this adoption of T+1 settlement for North American securities, many foreign markets maintain a T+2 or greater settlement cycle, including, the European Union, the United Kingdom, Japan, Brazil, Australia, and New Zealand;

Background on Settlement Requirements for NI 81-102 Funds

10. Section 9.4 of NI 81-102 requires payment of the issue price of Fund Securities to which a purchase order pertains, to be made to the Fund on or before the second business day after the Pricing Date of the Fund Securities, and if the payment of the issue price is not received by the Fund on or before the second business day after the Pricing Date of the Fund Securities, the Fund will be required to redeem the Fund Securities to which the purchase order pertains as if it had received an order for the redemption of the Fund Securities on the third business day after the Pricing Date;

11. additionally, Section 10.4 of NI 81-102 requires a Fund to pay the redemption proceeds for Fund Securities that are the subject of a redemption order within two business days after the Pricing Date (subject to satisfaction of all required redemption procedures established by the Fund in accordance with Section 10.1 of NI 81-102);

12. despite the change from T+2 to T+1 settlement for North American securities, NI 81-102 still permits purchases and redemptions of Fund Securities to settle on T+2. As of the Implementation Date, the Funds may elect to settle purchases and redemptions of Fund Securities on T+1 on a voluntary basis;

Mismatches in Settlement Periods

13. certain Funds settle, or may in the future settle, trades in Fund Securities on the first business day after a Trade Date (each a T+1 Fund). As only a limited number of Funds invest purely in T+1 Securities, many T+1 Funds will hold some T>1 Securities, resulting in a mismatch between the settlement timing of trades in Fund Securities and trades in Portfolio Securities. Such mismatch may lead to liquidity constraints in funding Fund Redemptions, giving rise to the need for the Exemption Sought;

14. additionally, certain Funds settle, or may in the future settle, trades in Fund Securities on a day that is later than the first business day after a Trade Date (each a T+2 Fund). As only a limited number of Funds invest purely in T>1 Securities, many T+2 Funds will hold some T+1 Securities, resulting in a mismatch between the settlement timing of trades in Fund Securities and trades in Portfolio Securities. Such mismatch may lead to liquidity constraints in funding Portfolio Security Purchases, giving rise to the need for the Exemption Sought;

Redemption Relief

15. T+1 Funds may have a portion of their assets invested in T>1 Securities; to fund redemptions, a T+1 Fund will effect an orderly liquidation of Portfolio Securities in order to accommodate redemption requests. However, liquidation of T>1 Securities effected on the Trade Date of the Fund Redemption will only settle after the Fund is required to settle the Fund Redemption in cash. This arises not only because T>1 Securities settle one business day following the Fund Redemption's Trade Date but also because T>1 Securities are generally in foreign jurisdictions where the stock exchanges are not open for trading at 4:00pm ET, which is generally the cut-off time for Fund Redemptions (the Cut-Off Time) or the markets in which the T>1 Securities trade may be closed due to public holidays. As such, Portfolio Securities may only be sold one business day after the Fund Redemption's Trade Date and would only settle three business days (or more) after the Fund Redemption's Trade Date. A T+1 Fund that holds some T>1 Securities may therefore be required to pay the redemption price for the Fund Securities that have been redeemed at a time when the Fund has insufficient cash to do so;

16. T+1 Funds may also encounter situations in which a liquidation of T+1 Securities will settle after the requirement to settle a Fund Redemption in cash, resulting in a cash shortfall. If Fund Redemption requests are placed at or shortly before the Cut-Off Time, a T+1 Fund may be in an unanticipated net redemption position and may not be able to effect a liquidation of sufficient T+1 Securities for the purposes of satisfying such Fund Redemptions

until the following business day. In such circumstances, the Fund will be obligated to settle the Fund Redemption before it receives cash proceeds from selling its T+1 Securities. Additionally, T+1 Funds may encounter liquidity constraints when the Fund Redemptions are placed on days where the T+1 Securities are:

(a) not trading due to public holidays or other reasons, as any such liquidation of the T+1 Securities will only settle after the Fund is required to settle the Fund Redemption in cash; or

(b) trading but the settlement date for the T+1 Securities is delayed as the following day is a public holiday in the foreign jurisdiction where the T+1 Securities trade but it is not a public holiday in Canada. In such situations, the T+1 Securities are settling on a T+2 basis from the Fund's perspective and the Fund is required to settle the Fund Redemption in cash prior to receiving cash from the sale of the T+1 Securities.

17. a Fund is permitted to borrow cash as a temporary measure to accommodate requests for Fund Redemptions while the Fund effects an orderly liquidation of portfolio assets, provided that all borrowing by the Fund does not exceed the Borrowing Limit. Borrowing beyond the Borrowing Limit may be necessary for the purpose of settling Fund Redemptions in the scenarios set out above;

18. while liquidity management practices other than cash borrowing may be utilized by the Filer to manage the liquidity constraint scenarios set out above, permitting a T+1 Fund to borrow cash beyond the Borrowing Limit in an amount not exceeding 10% of the Fund's net asset value at the time of borrowing and on a temporary basis while the Fund awaits receipt of proceeds from the sale of Portfolio Securities (Fund Redemption Settlement Gap Funding) would be an approach that is more in line with the best interests of the Fund and its investors than such other liquidity management practices;

Purchase Relief

19. when a Fund is in significant net subscriptions on a Trade Date, the Fund may execute Portfolio Security Purchases in an amount that is equal to or less than the anticipated value of the net subscriptions to match the Trade Date of Portfolio Security Purchase with the Trade Date of the Fund Purchase (a Trade Date Matching). Certain Funds may engage in this practice to reduce cash drag and increase the investment exposure for Fund investors;

20. the need to borrow money for Trade Date Matching arises when a Fund Purchase settles after the settlement date of the Portfolio Security Purchase. Effective as of the Implementation Date, this occurs when T+2 Funds invest a portion of their assets in T+1 Securities;

21. while a Fund may stagger Portfolio Security Purchases to manage this so that the Fund only executes a related Portfolio Security Purchase after a Fund Purchase has settled, this delay in investing may result in cash drag and accordingly, certain Funds may not wish to engage in staggering;

22. permitting a T+2 Fund to borrow cash beyond the Borrowing Limit in an amount not exceeding 10% of the Fund's net asset value at the time of borrowing and on a temporary basis to settle the purchase of T+1 Securities (Portfolio Security Purchases Settlement Gap Funding, together with the Fund Redemption Settlement Gap Funding, the Settlement Gap Funding) is more in line with the best interests of the Fund and its investors than staggering Portfolio Security Purchases;

Risk Management

23. the Settlement Gap Funding will not create leverage in the Funds because it will not be used to purchase additional investments for the Funds;

24. the Fund will borrow cash beyond the Borrowing Limit in reliance on this decision solely for Settlement Gap Funding purposes and will not do so unless the Filer has determined that it would be in the best interests of the Fund to use the exemption from the Borrowing Limit; and

25. the Filer has written liquidity risk management policies and procedures that address the Funds' key liquidity risks, including a description of how the risks are identified, monitored and measured, and the techniques used to manage and mitigate the risks.

Decision

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

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

1. at the time a Fund relies on the relief under this decision, the Filer has written policies and procedures for relying on the relief that require the Filer to:

   (a) implement controls on decision-making on borrowing above the Borrowing Limit and on the monitoring of such decision-making; and

   (b) monitor levels of Fund Redemptions, Fund Purchases and the cash balance of each Fund.

2. a Fund may only borrow cash in excess of the Borrowing Limit if all of the following conditions are satisfied:

   (a) the Fund has used all of its available Liquidity Reserve;

   (b) the outstanding amount of all borrowings of the Fund do not exceed 10% of the net asset value of the Fund at the time of borrowing;

   (c) in the case of Fund Redemption Settlement Gap Funding, the amount of cash borrowed by the Fund will not exceed the amount of cash that the Fund expects to receive in respect of the sale of Portfolio Securities; and

   (d) in the case of Portfolio Security Purchases Settlement Gap Funding, the amount of cash borrowed by the Fund will not exceed the amount of cash that the Fund expects to receive from the investor in a Fund Purchase.

3. each Fund discloses the following in each prospectus filed after the date of this decision in connection with the continuous distribution of Fund Securities:

   (a) the terms of this decision;

   (b) the maximum percentage of assets of the Fund that the borrowing may represent; and

   (c) the Fund's intended use of the amounts borrowed for Settlement Gap Funding.

4. this decision expires on a date that is three (3) years after the date of this decision.

“Gordon Johnson”
Vice-Chair
British Columbia Securities Commission

B.3.3 Montrose Property Holdings Ltd.

Headnote

Multilateral Instrument 11-102 Passport System and National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Securities Act s. 76 Prospectus Requirements – First trade relief for securities acquired under an exemption that are subject to a seasoning period – First trades will occur within a limited group of permitted transferees, such as extended family members of the founder of the issuer, their holding companies, family trusts established for their benefit, current and former directors, officers and employees of the issuer, and a charitable foundation established by extended family members of the founder of the issuer. There is no market for the securities, and none is expected to develop.

Applicable Legislative Provisions

Securities Act, R.S.B.C. 1996, c. 418, ss. 61 and 76.
Securities Act, R.S.O. 1990, c. S.5, as am., ss. 53 and 4.

Citation: 2025 BCSECCOM 303

July 8, 2025

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

AND

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

AND

IN THE MATTER OF
MONTROSE PROPERTY HOLDINGS LTD.
(Filer)

DECISION

Background

¶ 1 The securities regulatory authority or regulator in each of the Jurisdictions (Decision Maker) has received an application from the Filer for a decision under the securities legislation of the Jurisdictions (the Legislation) that trades of Montrose Shares (defined below) between Permitted Transferees (defined below) be exempt from the prospectus requirements of the Legislation (the Requested Relief), subject to certain terms and conditions.

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

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

(b) the Filer has provided notice that section 4.7(1) of Multilateral Instrument 11-102 *Passport System* (MI 11-102) is intended to be relied upon in Alberta, Saskatchewan, Manitoba, Quebec, New Brunswick, Nova Scotia, Prince Edward Island, Newfoundland and Labrador, Yukon Territory, Northwest Territories and Nunavut, and

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

Interpretation

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

Representations

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

1. Montrose Property Holdings Ltd. (Montrose) is a corporation existing under the *Canada Business Corporations Act* (CBCA); Montrose's registered and head office is located at 208 - 10991 Shellbridge Way, Richmond, British Columbia, V6X 3C6;

2. Montrose operates a business primarily as a landfill and land development business;

3. N'Oubliez Charitable Foundation is a charitable foundation existing under the *Societies Act* (BC) that exists for the sole purpose of receiving and maintaining a fund or funds and applying all or part of the principal and income therefrom, from time to time, to qualified donees as such term is defined in the *Income Tax Act* (Canada) (the Foundation);

4. the shareholders of Montrose are:

   (a) members of the extended Graham family, being children, grandchildren and other descendants, whether by birth or adoption, of the late F. Ronald Graham (the Extended Graham Family);

   (b) companies of which a majority of the voting shares are owned, directly or indirectly, by or for the benefit of persons described in paragraph (a) above and their spouses, children and siblings (the Graham Family Holdcos);

   (c) trusts established for the benefit of the persons described in paragraph (a) above and their spouses (the Graham Family Trusts and, together with the Extended Graham Family and the Graham Family Holdcos, the Graham Family Shareholders); and

   (d) current or former directors, officers or employees of Montrose or its subsidiaries and Graymont, or companies of which a majority of the voting shares are owned, directly or indirectly, by or for the benefit of such persons (Montrose Management Shareholders).

   (collectively, the Montrose Shareholders);

5. shares in the capital of Montrose are referred to in this Order as Montrose Shares;

6. the Graham Family Shareholders, Montrose, the Foundation and Montrose's transfer agent will enter into a second amended and restated shareholder agreement (the Graham Family Shareholder Agreement), pursuant to which a Graham Family Shareholder may only transfer beneficial ownership of, or a beneficial interest in, Montrose Shares to:

   (a) the children, grandchildren or other descendants, whether by birth or adoption, of such Graham Family Shareholder;

   (b) trusts established for the benefit of the persons described in paragraph (a) above and the spouse of such Graham Family Shareholder;

   (c) companies of which a majority of the voting shares are owned, directly or indirectly, by or for the benefit of persons described in paragraphs (a) and (b) above;

   (d) other Montrose Shareholders;

   (e) Montrose;

   (f) the Foundation;

   (collectively, the Permitted Montrose Family Transferees); or

   (g) any other buyer.

7. each of the Montrose Management Shareholders has entered into a management shareholders' agreement with Montrose dated December 31, 2014, and additional agreements were entered into between September 27, 2022 and June 24, 2024 (collectively, the Management Shareholders' Agreement); the Management Shareholders' Agreement may be amended to add the Foundation as one of the Permitted Montrose Management Transferees (as defined below) in the future. Pursuant to the Management Shareholders'

Agreement, a Montrose Management Shareholder may only transfer beneficial ownership of, or a beneficial interest in, Montrose Shares to:

(a) the estate of such Montrose Management Shareholder;

(b) other Montrose Shareholders;

(c) Montrose;

(collectively, with the Foundation, the Permitted Montrose Management Transferees); or

(d) any other buyer.

8. the Permitted Montrose Family Transferees and the Permitted Montrose Management Transferees are referred to collectively as the Permitted Transferees;

9. the Graham Family Shareholder Agreement and the Management Shareholders' Agreement are referred to collectively as the Montrose Shareholder Agreements;

10. the Filer is not and has no current intention of becoming a reporting issuer in any jurisdiction of Canada;

11. no securities of the Filer, including debt securities, are traded 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; and

12. the Filer is not in default of any of its obligations under the Legislation.

Decision

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

The decision of the Decision Makers under the Legislation is that the Requested Relief is granted, provided that:

(a) Montrose restricts the transfer of Montrose Shares to Permitted Transferees and any transfer of Montrose Shares complies with the transfer restrictions described above in the Montrose Shareholder Agreement to which the transferor of such Montrose Shares is a party;

(b) any certificate representing Montrose Shares contains a legend stating all applicable resale and transfer restrictions;

(c) Montrose provides each Montrose Shareholder with annual audited financial statements consisting of a statement of net assets, a statement of operations and a statement of change in assets, together with notes to such financial statements and management discussion and analysis of Montrose's operations, for each financial year of Montrose within 120 days of the end of such financial year;

(d) Montrose provides each Montrose Shareholder with unaudited interim financial statements consisting of a statement of net assets, a statement of operations and a statement of change in assets, together with notes to such financial statements and management discussion and analysis of Montrose's operations, for each interim period of Montrose within 60 days of the end of such interim period;

(e) prior to any transfer of Montrose Shares to a Permitted Transferee who is not a Montrose Shareholder, Montrose provides to such Permitted Transferee a copy of the financial statements described in paragraphs (c) and (d) for its most recent financial year and interim financial period; and

(f) the first trade in Montrose Shares other than to a Permitted Transferee is deemed to be a distribution.

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

OSC File #: 2025/0132

B.3.4 Evolve Funds Group Inc. and Evolve Canadian Utilities Enhanced Yield Index Fund

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – relief granted under subsection 62(5) of the Securities Act to permit the extension of a prospectus lapse date by 15 days to facilitate the consolidation of the fund's prospectus with the prospectus of different funds under common management – no conditions.

Applicable Legislative Provisions

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

July 10, 2025

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

AND

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

AND

IN THE MATTER OF
EVOLVE FUNDS GROUP INC.
(the Filer)

AND

IN THE MATTER OF
EVOLVE CANADIAN UTILITIES ENHANCED YIELD INDEX FUND
(the Fund)

DECISION

Background

The principal regulator in the Jurisdiction has received an application from the Filer on behalf of the Fund for a decision under the securities legislation of the Jurisdiction (the **Legislation**) that the time limit for the renewal of the long form prospectus of the Fund (dated August 1, 2024) (the **Prospectus**) be extended to the time limit that would apply if the lapse date of the Prospectus was August 16, 2025 (the **Exemption Sought**).

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

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

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

Interpretation

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

Representations

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

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

2. The Filer is registered as (i) a portfolio manager in Ontario, (ii) a commodity trading manager in Ontario and (iii) an investment fund manager in each of Ontario, Québec and Newfoundland and Labrador.

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

4. The Fund is an exchange-traded mutual fund (**ETF**) established under the laws of Ontario, and is a reporting issuer as defined in the securities legislation of each of the Jurisdictions.

5. Neither the Filer nor the Fund are in default of securities legislation in any of the Jurisdictions.

6. The Fund currently distributes securities in the Jurisdictions under the Prospectus. Securities of the Fund trade on the Toronto Stock Exchange.

7. Pursuant to subsection 62(1) of the *Securities Act* (Ontario) (the **Act**), the lapse date of the Prospectus is August 1, 2025 (the **Lapse Date**). Accordingly, under subsection 62(2) of the Act, the distribution of securities of the Fund would have to cease on the Lapse Date unless: (i) the Fund files a pro forma prospectus at least 30 days prior to the Lapse Date; (ii) the final prospectus is filed no later than 10 days after the Lapse Date; and (iii) a receipt for the final prospectus is obtained within 20 days of the Lapse Date.

8. The Filer is the investment fund manager of 12 other ETFs (the **August Funds**) that currently distribute their securities to the public under a prospectus that has a lapse date of August 16, 2025 (the **August Prospectus**).

9. The Filer wishes to combine the Prospectus with the August Prospectus in order to reduce renewal and related costs of the Fund and the August Funds.

10. Offering the Fund and the August Funds under one prospectus would facilitate the distribution of the Fund and the August Funds in the Jurisdictions under the same prospectus and enable the Filer to streamline disclosure across the Filer's fund platform. As the Fund and the August Funds are all managed by the Filer, offering them under one prospectus (as opposed to two) will allow investors to more easily compare their features.

11. It would be unreasonable to incur the costs and expenses associated with preparing two separate renewal prospectuses given how close in proximity the lapse dates of the Fund and the August Funds are to one another.

12. There have been no material changes in the business, operations, or affairs of the Fund since the date of the Prospectus. Accordingly, the Prospectus and current ETF Facts and Fund Facts documents of the Fund represent current information regarding the Fund.

13. Given the disclosure obligations of the Fund, should any material change in the affairs of the Fund occur, the Prospectus and current ETF Facts and Fund Facts documents of the Fund will be amended as required under the Legislation.

14. New investors in the Fund will receive the most recently filed ETF Facts or Fund Facts document, as applicable, of the Fund. The Prospectus will still be available upon request.

15. The Exemption Sought will not affect the accuracy of the information contained in the Prospectus and will therefore not be prejudicial to the public interest.

Decision

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

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

"Darren McKall"
Associate Vice President, Investment Management Division
Ontario Securities Commission

Application File #: 2025/0399
SEDAR+ File #: 6304830

B.3.5 TD Asset Management Inc.

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – relief from requirement in section 59 of the Securities Act (Ontario) to include an underwriter's certificate in a prospectus of an exchange-traded mutual fund – relief from take-over bid requirements of NI 62-104 in respect of normal-course purchases of securities of an exchange-traded mutual fund.

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 59(1) and 147.
National Instrument 62-104 Take-Over Bids and Issuer Bids, Part 2 and s. 6.1.

July 10, 2025

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

AND

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

AND

IN THE MATTER OF
TD ASSET MANAGEMENT INC.
(the Filer)

DECISION

Background

The principal regulator in the Jurisdiction has received an application from the Filer on behalf of the Existing Funds (as defined below) and any such other mutual fund or funds that are currently managed by the Filer, or an affiliate, in the future (the **Future Funds** and together with the Existing Funds, the **Funds**, and each a **Fund**) that offer ETF Securities (as defined below), either alone or along with Mutual Fund Securities (as defined below), for a decision under the securities legislation of the Jurisdiction of the principal regulator (the **Legislation**) that exempts:

(a) the Filer, any affiliate of the Filer and each Fund from the requirement to include a certificate of the underwriter(s) in that Fund's prospectus in respect of each series or class of ETF Securities (the **Underwriter's Certificate Relief**); and

(b) a person or company purchasing ETF Securities in the normal course through the facilities of the Toronto Stock Exchange (the **TSX**) or another Marketplace (as defined below) from the Take-Over Bid Requirements (as defined below) (the **Take-Over Bid Relief**)

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

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

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

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

Interpretation

Capitalized terms used herein have the meaning ascribed thereto below (or in MI 11-102, National Instrument 14-101 *Definitions,* National Instrument 41-101 *General Prospectus Requirements* (**NI 41-101**) and National Instrument 81-102 *Investment Funds* (**NI 81-102**), as applicable) unless otherwise defined in this decision:

(a) **Affiliate Dealer** means a registered dealer that is an affiliate of an Authorized Dealer or the Designated Broker and that participates in the re-sale of Creation Units (as defined below) of a Fund from time to time.

(b) **Authorized Dealer** means a registered dealer that has entered, or intends to enter, into an agreement with the manager of a Fund authorizing the dealer to subscribe for, purchase and redeem Creation Units from one or more Funds on a continuous basis from time to time.

(c) **Basket of Securities** means, in relation to the ETF Securities of a Fund, a group of securities or assets representing the constituents of the Fund.

(d) **Designated Broker** means a registered dealer that has entered, or intends to enter, into an agreement with the Filer or an affiliate of the Filer on behalf of a Fund to perform certain duties in relation to the ETF Securities of the Fund, including the posting of a liquid two-way market for the trading of the Fund's ETF Securities on the TSX or another Marketplace.

(e) **ETF** means an exchange traded fund.

(f) **ETF Facts** means an ETF facts document prepared, filed and delivered in accordance with Part 3B of NI 41-101 and Form 41-101F4 *Information Required in an ETF Facts Document* (**Form 41-101F4**).

(g) **ETF Securities** means securities of an ETF or of an exchange-traded series or class of a Fund that are listed or will be listed on the TSX or another Marketplace (as defined below) and that will be distributed pursuant to a:

(i) simplified prospectus prepared in accordance with NI 81-101 (as defined below) and Form 81-101F1 *Contents of Simplified Prospectus* (**Form 81-101F1**); or

(ii) a long form prospectus prepared in accordance with NI 41-101 and Form 41-101F2 *Information Required in an Investment Fund Prospectus* (**Form 41-101F2**).

(h) **Existing ETFs** means the ETFs managed by the Filer that are currently distributed pursuant to one or more long form prospectuses prepared in accordance with Form 41-101F2.

(i) **Existing Mutual Funds** means the mutual funds managed by an affiliate of the Filer that are currently distributed pursuant to a simplified prospectuses prepared in accordance with NI 81-101 and in respect of which ETF Securities are expected to be established and offered under a simplified prospectus to be filed by the Filer.

(j) **Existing Funds** means the Existing ETFs and the Existing Mutual Funds.

(k) **Fund Facts** means a fund facts document prepared, filed and delivered in accordance with Form 81-101F3 *Contents of Fund Facts Document*.

(l) **Legislation** means the securities legislation of each of the Jurisdictions, as applicable.

(m) **Marketplace** means a "marketplace" as defined in National Instrument 21-101 *Marketplace Operation* that is located in Canada.

(n) **Market Price** means the weighted average trading price of the ETF Securities of a Fund on the TSX or another Marketplace on which the ETF Securities of the Fund have traded on the effective date of a redemption.

(o) **Mutual Fund Securities** means securities of a non-exchange-traded class of a Fund that will be distributed pursuant to a simplified prospectus prepared in accordance with NI 81-101 and Form 81-101F1.

(p) **NI 81-101** means National Instrument 81-101 *Mutual Fund Prospectus Disclosure*.

(q) **Other Dealer** means a registered dealer that is not an Authorized Dealer, the Designated Broker or an Affiliate Dealer.

(r) **Prescribed Number of ETF Securities** means, in relation to a Fund, the number of ETF Securities of the Fund determined by the Filer or an affiliate from time to time for the purpose of subscription orders, exchanges, redemptions or for other purposes.

(s) **Prospectus Delivery Requirement** means the requirement that a dealer, not acting as agent of the purchaser, who receives an order or subscription for a security offered in a distribution to which the prospectus requirement of the Legislation applies, send or deliver to the purchaser or its agent, unless the dealer has previously done so, the latest prospectus and any amendment either before entering into an agreement of purchase and sale

resulting from the order or subscription, or not later than midnight on the second business day after entering into that agreement.

(t) **Securityholders** means beneficial or registered holders of Mutual Fund Securities or ETF Securities of a Fund, as applicable.

(u) **Take-over Bid Requirements** means the requirements of National Instrument 62-104 *Take-Over Bids and Issuer Bids* relating to take-over bids, including the requirement to file a report of a take-over bid and to pay the accompanying fee, in each of the Jurisdictions.

(v) **TSX** means the Toronto Stock Exchange.

Representations

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

The Filer

1. The Filer is a corporation continued under the laws of the Province of Ontario.

2. The Filer is a wholly-owned subsidiary of The Toronto-Dominion Bank, a Schedule 1 Canadian chartered bank. The head office of the Filer is located in Toronto, Ontario.

3. The Filer is registered in: (i) the Jurisdictions as a Portfolio Manager (**PM**) and Exempt Market Dealer; (ii) Ontario, Québec, Saskatchewan and Newfoundland and Labrador as an Investment Fund Manager (**IFM**); (iii) Ontario as a Commodity Trading Manager; and (iv) Québec as a Derivatives Portfolio Manager.

4. The Filer is the IFM and PM of each Existing Fund. The Filer or an affiliate of the Filer will be the IFM of the Future Funds.

5. The Filer is not a reporting issuer in any of the Jurisdictions and is not in default of securities legislation in any of the Jurisdictions.

The Funds

6. Each Fund is, or will be an open-ended mutual fund established as either a trust or a class of shares of a mutual fund corporation governed by the laws of Ontario and is or will be a reporting issuer in the Jurisdictions in which its securities are distributed. Each Fund that relies on the Exemption Sought will offer ETF Securities, either alone or along with Mutual Fund Securities.

7. The Existing ETFs are distributed pursuant to two separate long form prospectuses dated October 29, 2024, and February 27, 2025, in the form prescribed by Form 41-101F2 (the **Long Form Prospectuses**). Each of the Existing ETFs currently offers ETF Securities listed on the TSX.

8. The Existing Mutual Funds are distributed pursuant to three separate simplified prospectuses dated July 25, 2024, October 24, 2024, and March 28, 2025, in the form prescribed by Form 81-101F1.

9. The Filer has obtained relief exempting each Fund that offers ETF Securities, either alone or along with Mutual Fund Securities from the requirement to prepare and file a long form prospectus for the ETF Securities in the form prescribed by Form 41-101F2 provided that the Filer files: (i) a prospectus for the ETF Securities in accordance with the provisions of NI 81-101, other than the requirements pertaining to the Fund Facts and (ii) an ETF Facts in accordance with Part 3B of NI 41-101 and Form 41-101F4. Accordingly, the Filer may distribute ETF Securities pursuant to a simplified prospectus or a long form prospectus.

10. Each Existing Fund and each Future Fund will be a reporting issuer in the Jurisdictions in which it offers Mutual Fund Securities and/or ETF Securities. Each Fund that relies on the Exemption Sought may offer ETF Securities either alone or along with Mutual Fund Securities.

11. The Existing Funds currently offer Investor Series, H5 Series, H8 Series, Premium Series, K5 Series, e Series, D Series, Advisor Series, T5 Series, T8 Series, F-Series, FT5 Series, FT8 Series, W Series, WT5 Series, WT8 Series, Private Series, Private EM Series, Institutional Series, Institutional Class, Class B, O-Series, G-Series and/or ETF Series to investors.

12. Subject to any exemptions that may be granted by the applicable securities regulatory authorities, each Fund will be subject to NI 81-102 and the Securityholders of each Fund will have the right to vote at a meeting of Securityholders in respect of any matter prescribed by NI 81-102.

13. ETF Securities of the Funds are listed or will be (subject to satisfying the listing requirements of the applicable exchange) listed on the TSX or another Marketplace.

14. The Filer or an affiliate has applied, or will apply to list any ETF Securities of each of the Funds that relies on the Exemption Sought on the TSX or another Marketplace. In the case of a Future Fund, the Filer, or an affiliate will not file a final simplified prospectus for the Future Fund in respect of the ETF Securities of the Future Fund until the TSX or another Marketplace has conditionally approved the listing of the ETF Securities of the Future Fund.

15. The Filer or an affiliate will file a prospectus prepared in accordance with the Legislation in respect of each Fund, subject to any exemptions that may be granted by the applicable securities regulatory authorities.

16. The Existing Funds are not in default of securities legislation in any of the Jurisdictions.

Underwriter's Certificate and Take-over Bid

17. Mutual Fund Securities may be subscribed for or purchased directly from a Fund through mutual fund dealers, investment dealers and their representatives that are registered under applicable securities legislation in the Jurisdictions in which they are offered for sale.

18. ETF Securities will be distributed on a continuous basis in one or more of the Jurisdictions under a prospectus in the form prescribed by Form 41-101F2 or Form 81-101F1, as applicable. ETF Securities may generally only be subscribed for or purchased directly from the Funds (**Creation Units**) by Authorized Dealers or the Designated Broker. Generally, subscriptions or purchases may only be placed for a Prescribed Number of ETF Securities (or a multiple thereof) on any day when there is a trading session on the TSX or another Marketplace. Authorized Dealers and/or the Designated Broker subscribe for Creation Units for the purpose of facilitating investor purchases of ETF Securities on the TSX or another Marketplace.

19. In addition to subscribing for and re-selling their Creation Units, Authorized Dealers, the Designated Broker and Affiliate Dealers will also generally be engaged in purchasing and selling ETF Securities of the Funds as Creation Units in the secondary market. Other Dealers may also be engaged in purchasing and selling ETF Securities of the Funds as Creation Units in the secondary market despite not being an Authorized Dealer, the Designated Broker or an Affiliate Dealer that has entered in an agreement with the Filer.

20. The Designated Broker and each Authorized Dealer that subscribes for Creation Units must deliver, in respect of each Prescribed Number of ETF Securities to be issued, a Basket of Securities and/or cash in an amount sufficient so that the value of the Basket of Securities and/or cash delivered to a Fund is equal to the net asset value of the ETF Securities subscribed for, next determined following the receipt of the subscription order for Creation Units.

21. Upon notice given by the Filer from time to time and, in any event, not more than once quarterly, the Designated Broker may be contractually required to subscribe for Creation Units for cash in an amount not to exceed a specified percentage of the net asset value of the Funds or such other amount established by the Filer.

22. The Designated Broker and the Authorized Dealers will not receive any fees or commissions in connection with the issuance of Creation Units to them. On the issuance of Creation Units, the Filer or the Fund may, in the Filer's discretion, charge a fee to the Designated Broker or an Authorized Dealer to offset the expenses incurred in issuing the Creation Units.

23. The Designated Broker performs certain other functions, which include standing in the market with a bid and ask price for ETF Securities for the purpose of maintaining liquidity for the ETF Securities.

24. Except for Authorized Dealers and the Designated Broker subscriptions for Creation Units, as described above, and other distributions that are exempt from the Prospectus Delivery Requirement under the Legislation, ETF Securities generally will not be able to be purchased directly from the Fund. Investors are generally expected to purchase and sell ETF Securities, directly or indirectly, through dealers executing trades through the facilities of the TSX or another Marketplace in Canada. ETF Securities may also be issued directly to Securityholders upon a reinvestment of distributions of income or capital gains.

25. Securityholders that are not the Designated Broker or an Authorized Dealer that wish to dispose of their ETF Securities may generally do so by selling their ETF Securities on the TSX or other Marketplace, through a registered dealer, subject only to customary brokerage commissions. A Securityholder that holds a Prescribed Number of ETF Securities or a multiple thereof may exchange such ETF Securities for Baskets of Securities and/or cash in the discretion of the Filer or an affiliate. Securityholders may also redeem ETF Securities of the Fund for cash at a redemption price equal to the lesser of 95% of the Market Price of the ETF Securities of the Fund on the TSX or another Marketplace on the date of redemption and the net asset value per ETF Security of the Fund.

Reasons for the Exemption Sought

Underwriter' Certificate Relief

26. Authorized Dealers and the Designated Broker will not provide the same services in connection with a distribution of Creation Units as would typically be provided by an underwriter in a conventional underwriting.

27. The Filer or an affiliate will generally conduct its own marketing, advertising and promotion of the ETF Securities.

28. Authorized Dealers and the Designated Broker will not be involved in the preparation of a Fund's simplified prospectus and will not perform any review or any independent due diligence of the contents of such simplified prospectus. In addition, the Authorized Dealers and the Designated Broker will not incur any marketing costs or receive any underwriting fees or commissions from a Fund, the Filer or an affiliate in connection with the distribution of ETF Securities. The Authorized Dealers and the Designated Broker generally seek to profit from their ability to create and redeem ETF Securities by engaging in arbitrage trading to capture spreads between the trading prices of ETF Securities of a Fund and their underlying securities and by making markets for their clients to facilitate client trading in ETF Securities.

29. In addition, neither the Filer, an affiliate nor a Fund offering ETF Securities will pay any fees or commissions to the Designated Broker and Authorized Dealers. As the Designated Broker and Authorized Dealers will not receive any remuneration in connection with distributing ETF Securities and as the Authorized Dealers will change from time to time, it is not practical to provide an underwriters' certificate in the prospectus of a Fund offering ETF Securities.

Take-Over Bid Relief

30. As equity securities that will trade on the TSX or another Marketplace, it is possible for a person or company to acquire such number of ETF Securities so as to trigger the application of the Take-Over Bid Requirements. However:

    (a) it will be difficult for one or more Securityholders to exercise control or direction over a Fund offering ETF Securities, as the constating documents of each Fund will provide that there can be no changes made to such Fund which do not have the support of the Filer;

    (b) it will be difficult for purchasers of ETF Securities to monitor compliance with the Take-Over Bid Requirements because the number of outstanding ETF Securities will always be in flux as a result of the ongoing issuance and redemption of ETF Securities by the Fund; and

    (c) the way in which the ETF Securities will be priced deters anyone from either seeking to acquire control or offering to pay a control premium for the outstanding ETF Securities because the pricing for each ETF Security will generally reflect the net asset value of the ETF Securities of the Fund.

31. The application of the Take-over Bid Requirements to the ETF Securities would have an adverse impact on the liquidity of the ETF Securities, because they could cause the Designated Broker and any other large Securityholders to cease trading ETF Securities once the Designated Broker or any other large Securityholders of the Fund reach the prescribed threshold at which the Take-over Bid Requirements apply. This, in turn, could serve to provide Mutual Fund Securities with a competitive advantage over the ETF Securities.

Decision

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

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

"Darren McKall"
Associate Vice President, Investment Management Division
Ontario Securities Commission

Application File #: 2025/0391
SEDAR+ File #: 6301288

B.3.6 Forge First Asset Management Inc.

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – relief from short selling limit, cash borrowing limit and combined aggregate value limit in subparagraph 2.6.1(1)(c)(v), subparagraph 2.6(2)(c) and section 2.6.2 of National Instrument 81-102 Investment Funds and relief from short selling issuer concentration limit in subparagraph 2.6.1(1)(c)(iv) of NI 81-102 with respect to short sales of index participation units, subject to conditions.

Applicable Legislative Provisions

National Instrument 81-102 Investment Funds, ss. 2.6.1(1)(c)(v), 2.6(2)(c), 2.6.2, 2.6.1(1)(c)(iv), and 19.1.

July 10, 2025

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

AND

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

AND

IN THE MATTER OF
FORGE FIRST ASSET MANAGEMENT INC.
(the Filer)

DECISION

Background

The principal regulator in the Jurisdiction has received an application from the Filer on behalf of Forge First Enhanced Multi Asset Alternative Fund, a new alternative mutual fund to be created by the Filer (the **Proposed Alternative Fund**), and any other alternative mutual funds, including exchange-traded funds, currently or in the future managed by the Filer, or an affiliate of, or successor to, the Filer (collectively with the Proposed Alternative Fund, the **Alternative Funds** and each, an **Alternative Fund**), each of which is, or will be, an alternative mutual fund subject to National Instrument 81-102 *Investment Funds* (**NI 81-102**), for a decision under the securities legislation (the **Legislation**) of the Jurisdiction exempting each of the Alternative Funds from:

(i) the following restrictions in NI 81-102, to permit each Alternative Fund to sell securities short and/or borrow cash up to a combined aggregate total of 100% of the net asset value (**NAV**) of the Alternative Fund:

  (a) subparagraph 2.6.1(1)(c)(v), which restricts an Alternative Fund from selling a security short if, at the time, the aggregate market value of all securities sold short by the Alternative Fund exceeds 50% of the Alternative Fund's NAV (together with (i)(c) below, the **Short Selling Limit**);

  (b) paragraph 2.6(2)(c), which restricts an Alternative Fund from borrowing cash if the value of cash borrowed, when aggregated with the value of all outstanding borrowing by the Alternative Fund, exceeds 50% of the Alternative Fund's NAV (together with (i)(c) below, the **Cash Borrowing Limit**); and

  (c) section 2.6.2, which restricts an Alternative Fund from borrowing cash or selling securities short if, immediately after entering into a cash borrowing or short selling transaction, the aggregate value of cash borrowed combined with the aggregate market value of all securities sold short by the Alternative Fund (the **Combined Aggregate Value**) would exceed 50% of the Alternative Fund's NAV and which requires an Alternative Fund, if the Combined Aggregate Value exceeds 50% of the Alternative Fund's NAV, as quickly as commercially reasonable, to take all necessary steps to reduce the Combined Aggregate Value to 50% or less of the Alternative Fund's NAV; and

(ii) the restriction in subparagraph 2.6.1(1)(c)(iv) of NI 81-102, which restricts an Alternative Fund from selling a security of an issuer, other than a "government security" (as defined in NI 81-102) short if, at the time, the aggregate market value of the securities of that issuer sold short by the Alternative Fund exceeds 10% of the Alternative Fund's NAV (the **Single Issuer Short Restriction**) in order to permit each Alternative Fund to exceed the Single Issuer Short Restriction to short

sell index participation units (**IPUs**, and each, an **IPU**) of one or more issuers of IPUs (**IPU Issuers**) up to a maximum of 100% of an Alternative Fund's NAV at the time of the sale

((i)(a) and (i)(c) together, the **Short Selling Relief**, (i)(b) and (i)(c) together, the **Cash Borrowing Relief**, (ii) the **Single Issuer Short Relief** and, collectively with the Short Selling Relief and the Cash Borrowing Relief, the **Exemption Sought**).

Under National Policy 11-203 *Process for Exemptive Relief Applications in Multiple Jurisdictions* (for a passport application):

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

(ii) the Filer has provided notice that paragraph 4.7(1)(c) of Multilateral Instrument 11-102 *Passport System* (**MI 11-102**) is intended to be relied upon in each of the other provinces and territories of Canada (the **Other Jurisdictions** and, together with the Jurisdiction, the **Jurisdictions**).

Interpretation

Unless expressly defined herein, terms in this decision have the respective meanings given to them in MI 11-102, National Instrument 14-101 *Definitions* and NI 81-102. In addition to the defined terms used in this decision, capitalized terms used in this decision have the following meanings:

Aggregate Limit means the aggregate gross exposure restriction in section 2.9.1 of NI 81-102, which places an overall limit on an alternative mutual fund's exposure to cash borrowing, short selling and specified derivatives equal to 300% of such fund's NAV.

IPU means "index participation unit", as defined in NI 81-102.

IPU Issuer means an investment fund the securities of which are IPUs.

Prospectus means the simplified prospectus of an Alternative Fund prepared in accordance with Form 81-101F1 *Contents of Simplified Prospectus* or the prospectus of an Alternative Fund prepared in accordance with Form 41-101F2 *Information Required in an Investment Fund Prospectus*, as each may be amended from time to time.

Total Borrowing and Short Selling Limit means 100% of an Alternative Fund's NAV.

Representations

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

The Filer

1. The Filer is a corporation incorporated under the laws of Ontario, with its head office located in Toronto, Ontario.

2. The Filer is registered as an investment fund manager in Ontario, Québec and Newfoundland and Labrador, as a portfolio manager in Ontario and as an exempt market dealer in Ontario, British Columbia, Alberta, Saskatchewan, Manitoba, Québec, New Brunswick, Nova Scotia, and Newfoundland and Labrador.

3. The Filer acts, and may in the future act, as investment fund manager and portfolio manager in respect of the Alternative Funds.

4. The Filer is not in default of applicable securities legislation in any of the Jurisdictions.

The Alternative Funds

5. Each Alternative Fund is, or will be, an investment fund organized and governed by the laws of a province or territory of Canada or the laws of Canada.

6. Each Alternative Fund is, or will be, an alternative mutual fund governed by NI 81-102, subject to any exemptions therefrom granted by the applicable securities regulatory authorities.

7. Securities of the Alternative Funds are, or will be, qualified for distribution to investors in one or more of the Jurisdictions pursuant to a Prospectus prepared and filed in accordance with the securities legislation of each of the applicable Jurisdictions.

8. The existing Alternative Funds are not in default of applicable securities legislation in any of the Jurisdictions.

IPU Issuers

9. The portfolio holdings of IPU Issuers are generally diversified.

10. IPU Issuers seek to provide investment results that correspond generally to the performance of a specified widely quoted market index comprised of multiple issuers by holding a portfolio of securities that are included in the index or otherwise investing in a manner that causes the IPU Issuer to replicate the performance of that index.

11. The portfolio holdings of IPU Issuers are generally liquid.

12. The creation process for IPUs can quickly increase the available supply of IPUs in the marketplace, making the potential for a liquidity issue inherently lower.

13. The weight of each underlying security held in the portfolio of an IPU Issuer substantially corresponds to the weight of such security in the underlying index.

Short Selling Relief and Cash Borrowing Relief

14. The investment objective of each Alternative Fund will differ but, in each case, key investment strategies utilized by an Alternative Fund may include (a) the use of market-neutral, offsetting, inverse, or shorting strategies requiring the use of short selling in excess of the Short Selling Limit and/or (b) the use of cash borrowing to provide additional investment exposure in excess of the Cash Borrowing Limit.

15. The Alternative Funds will generally seek to generate an attractive risk/return profile independent of the direction of the broad markets. As such, the Alternative Funds will use market-neutral strategies to seek to hedge out an Alternative Fund's exposure to the direction of broad markets, and to generate positive performance from the difference (i.e. spread) between the performance of the portfolio's long and short positions.

16. Market-neutral strategies are well-recognized for limiting market risk, and balancing long and short positions within an investment portfolio with the objective of providing positive returns regardless of whether the broader market rises, falls or is flat. Market-neutral strategies are designed to have less volatility than the broader market when measured over medium to long-term periods. Market-neutral strategies also provide diversification to investors as returns are intended to be uncorrelated to the performance of the broader market – such strategies are designed to effectively remove any "beta" component from their returns and investment exposures.

17. As part of an investment strategy, short positions can serve as both a hedge against exposure to a long position or a group of long positions, and as a source of returns with an offsetting long position or positions.

18. The Alternative Funds may use cash borrowing as a more flexible and cost-efficient means of providing additional leverage for investment strategies such as merger arbitrage strategies where the use of derivative instruments to provide the same level of exposure may not be practical.

19. In connection with merger arbitrage strategies, the portfolio manager is typically required to respond in a timely manner to public disclosure relating to a transaction and market movements in the share price of the target and/or acquiror company. The use of cash borrowing in such circumstances provides an easily accessible tool that enables the portfolio manager to implement the investment decision more quickly compared to the use of derivative instruments that provide the same level of exposure on a synthetic basis.

20. The costs to the Alternative Funds of engaging in physical short sales and cash borrowing are typically less when compared to the equivalent derivative transactions due to a number of factors which may include:

    (a) prime brokers typically have greater flexibility to offer more favourable financing terms to an Alternative Fund in relation to the aggregate amount of the Alternative Fund's assets held in the prime brokerage margin account in relation to short sales and cash borrowing;

    (b) margin requirements for derivative instruments are primarily based on the underlying investment exposure and, as a result, can be high; and

    (c) certain derivative instruments (such as futures contracts) require cash or near cash securities (such as government treasuries) to be deposited with the counterparty as collateral. This would require an Alternative Fund to use these portfolio assets to satisfy collateral requirements rather than utilizing them in connection with the Alternative Fund's investment strategies.

Single Issuer Short Relief

21. Subsection 2.1(1.1) of NI 81-102 restricts an alternative mutual fund from purchasing a security of an issuer, entering into a specified derivatives transaction or purchasing an IPU if, immediately after the transaction, more than 20% of its NAV would be invested in securities of any one issuer (the **Concentration Restriction**).

22. A significant risk associated with short positions generally is the potential to be unable to obtain the securities required to cover the short position, or to be unable to obtain them without additional costs, at the required time due to a lack of

liquidity in the market. The liquidity of the IPU Issuers significantly reduces the risk that an Alternative Fund may not be able to cover or exit a short position in an IPU Issuer.

23. The Single Issuer Short Relief would permit the Alternative Funds to benefit from efficiencies without prejudicing investors:

    (a) IPU Issuers seek to provide investment results that correspond generally to the performance of a specified widely quoted market index comprised of multiple issuers by holding a portfolio of securities that are included in the index or otherwise investing in a manner that causes the IPU Issuer to replicate the performance of that index. Accordingly, the portfolio holdings of IPU Issuers are generally diversified;

    (b) the creation process for IPUs of IPU Issuers can quickly increase the available supply of IPUs of IPU Issuers in the marketplace, making the potential for a liquidity issue inherently lower;

    (c) the portfolio holdings of IPU Issuers are generally liquid, which also makes the potential for a liquidity issue inherently lower; and

    (d) the weight of each underlying security held in the portfolio of an IPU Issuer substantially corresponds to the weight of such security in the underlying index.

24. The Single Issuer Short Relief would permit each Alternative Fund to short sell IPUs of IPU Issuers, without otherwise impacting such Alternative Fund's ability to borrow cash or engage in short sales under NI 81-102, in circumstances where the portfolio manager believes that it is more beneficial to gain the desired short exposure to IPU Issuers (a) through shorting fewer IPU Issuers than would otherwise be necessary under the Single Issuer Short Restriction and (b) by way of short sales rather than by way of specified derivative transactions.

25. The Filer is of the view that it would be in each Alternative Fund's best interest to be able to physically short sell IPUs of IPU Issuers, up to 100% of the Alternative Fund's NAV at the time of sale, instead of being limited to achieving that degree of leverage through either specified derivatives alone, or a combination of physical short selling and specified derivatives, including for the following reasons:

    (a) in some circumstances, the availability of derivatives with similar risk characteristics to corresponding indices may be limited. Alternatively, pricing of a short position at a particular point in time may be preferable to the pricing of a corresponding derivatives contract;

    (b) granting the Single Issuer Short Relief would expand the scope of available tools at the disposal of the portfolio manager to achieve market hedging, and thereby provide the Alternative Fund with the best execution and best liquidity; and

    (c) the Single Issuer Short Relief is less risky than certain derivatives transactions by allowing the Alternative Fund to, in part, mitigate against settlement risk (which is the risk that one of the parties to the derivatives contract defaults under the derivatives contract). Use of derivatives may also be incrementally riskier by exposing the Alternative Fund to operational risk (such as the case of a party to a derivatives contract failing to maintain adequate internal procedures or controls including intra-day settlements or managing closing-out the transaction) and liquidity risk.

26. The Single Issuer Short Relief would allow the portfolio manager greater flexibility and liquidity in pursuing a hedging strategy that reduces potential market volatility by expanding options for hedging to include selling highly liquid IPU Issuers short.

General

27. The investment strategies of each Alternative Fund permit, or will permit, it to:

    (a) sell securities short, provided that, at the time the Alternative Fund sells a security short (i) the aggregate market value of securities of any one issuer (other than "government securities" and IPU Issuers) sold short by the Alternative Fund does not exceed 10% of the Alternative Fund's NAV and (ii) the aggregate market value of all securities sold short by the Alternative Fund does not exceed 100% of its NAV;

    (b) borrow cash, provided that, at the time, the value of cash borrowed when aggregated with the value of all outstanding borrowing by the Alternative Fund does not exceed 100% of the Alternative Fund's NAV;

    (c) borrow cash or sell securities short, provided that the aggregate value of cash borrowed combined with the aggregate market value of the securities sold short by the Alternative Fund does not exceed the Total Borrowing and Short Selling Limit. If the Total Borrowing and Short Selling Limit is exceeded, the Alternative Fund shall, as quickly as is commercially reasonable, take all necessary steps to reduce the aggregate value of cash

borrowed combined with the aggregate market value of securities sold short to be within the Total Borrowing and Short Selling Limit; and

(d) borrow cash, sell securities short, or enter into specified derivatives transactions, provided that, immediately after entering into a cash borrowing, short selling, or specified derivative transaction, the aggregate value of cash borrowed combined with the aggregate market value of securities sold short and aggregate notional amount of the Alternative Fund's specified derivatives positions (other than positions held for hedging purposes, as defined in NI 81-102) would not exceed the Aggregate Limit. If the Aggregate Limit is exceeded, the Alternative Fund shall, as quickly as is commercially reasonable, take all necessary steps to reduce the aggregate value of cash borrowed combined with the aggregate market value of securities sold short and the aggregate notional amount of the Alternative Fund's specified derivatives positions (other than positions held for hedging purposes) to be within the Aggregate Limit.

28. Notwithstanding the Exemption Sought, the Alternative Funds would otherwise still be required to comply with all of the requirements applicable to alternative mutual funds in sections 2.6.1 and 2.6.2 of NI 81-102, subject to any relief granted therefrom by the securities regulatory authorities.

29. The Exemption Sought would not change an Alternative Fund's obligation to comply with the Aggregate Limit. The Aggregate Limit would continue to apply to an Alternative Fund's combined exposure to borrowing, short selling and derivatives. A decision to grant the Exemption Sought would not permit an Alternative Fund to exceed the Aggregate Limit through a combination of investment strategies.

30. If an Alternative Fund's aggregate gross exposure were to exceed the Aggregate Limit, subsection 2.9.1(5) of NI 81-102 would require the Alternative Fund to, as quickly as commercially reasonable, take all necessary steps to reduce the aggregate gross exposure to 300% of the Alternative Fund's NAV or less.

31. Each Alternative Fund will implement the following controls when conducting a short sale:

(a) the Alternative Fund will assume the obligation to return to the borrowing agent the securities borrowed to effect the short sale;

(b) the Alternative Fund will receive cash for the securities sold short within normal trading settlement periods for the market in which the short sale is effected;

(c) the portfolio manager will monitor the short positions within the constraints of the Exemption Sought as least as frequently as daily;

(d) the security interest provided by the Alternative Fund over any of its assets that is required to enable the Alternative Fund to effect a short sale transaction is made in accordance with industry practice for that type of transaction and relates only to obligations arising under such short sale transactions; and

(e) the portfolio manager will maintain appropriate internal controls regarding short sales, including written policies and procedures for the conduct of short sales, risk management controls and proper books and records.

Decision

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

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

In Respect of the Short Selling Relief and the Cash Borrowing Relief:

1. An Alternative Fund may sell a security short or borrow cash only if, immediately after the cash borrowing or short selling transaction:

(a) the aggregate market value of securities of any one issuer (other than "government securities" as defined in NI 81-102 and IPU Issuers) sold short by the Alternative Fund does not exceed 10% of the Alternative Fund's NAV;

(b) the aggregate market value of all securities sold short by the Alternative Fund does not exceed 100% of the Alternative Fund's NAV;

(c) the value of cash borrowed when aggregated with the value of all outstanding borrowing by the Alternative Fund does not exceed 100% of the Alternative Fund's NAV;

(d) the aggregate value of cash borrowed combined with the aggregate market value of the securities sold short by the Alternative Fund does not exceed the Total Borrowing and Short Selling Limit; and

(e) the Alternative Fund's aggregate exposure to short selling, cash borrowing and specified derivatives will not exceed the Aggregate Limit.

2. In the case of a short sale, the short sale:

(a) otherwise complies with all of the short sale requirements applicable to alternative mutual funds under sections 2.6.1 and 2.6.2 of NI 81-102; and

(b) is consistent with the Alternative Fund's investment objective and strategies.

3. In the case of a cash borrowing transaction, the transaction:

(a) otherwise complies with all of the cash borrowing requirements applicable to alternative mutual funds under sections 2.6 and 2.6.2 of NI 81-102; and

(b) is consistent with the Alternative Fund's investment objective and strategies.

4. The Prospectus under which securities of the Alternative Fund are offered discloses, or will disclose at the time of its next renewal, as applicable, that the Alternative Fund can sell securities short or borrow cash up to, and subject to, the limits described in condition (1) above.

In Respect of the Single Issuer Short Relief:

5. The only securities that an Alternative Fund will sell short (other than "government securities", as defined in NI 81-102), resulting in the aggregate market value of the securities of that issuer sold short by the Alternative Fund exceeding 10% of the Alternative Fund's NAV at the time of sale, will be IPUs.

6. Each Alternative Fund complies with the Single Issuer Short Restriction in respect of its exposure to the IPUs of an IPU Issuer that the Alternative Fund sells short, and for each IPU the Alternative Fund sells short, the Alternative Fund will be considered to be directly selling short its proportionate share of the securities held by the IPU Issuer, except that it will not be considered to be directly selling short a security or instrument that is a component of, but represents less than 10% of, the securities held by the IPU Issuer.

7. An Alternative Fund may sell an IPU short or borrow cash only if, immediately after the transaction (i) the aggregate market value of all securities sold short by the Alternative Fund does not exceed 100% of the Alternative Fund's NAV and (ii) the aggregate market value of securities sold short by the Alternative Fund combined with the value of cash borrowed by the Alternative Fund does not exceed 100% of the Alternative Fund's NAV.

8. Each Alternative Fund otherwise complies with all of the requirements applicable to alternative mutual funds in subsections 2.6.1 and 2.6.2 of NI 81-102, subject to this relief and any other relief granted therefrom by the securities regulatory authorities.

9. Each Alternative Fund's aggregate exposure to short selling, cash borrowing and specified derivatives will not exceed the Aggregate Limit.

10. Each short sale will be consistent with the Alternative Fund's investment objectives and strategies.

11. The Prospectus under which securities of the Alternative Fund are offered discloses, or will disclose at the time of its next renewal, as applicable, that the Alternative Fund can sell IPUs of one or more IPU Issuers short in an amount up to 100% of the Alternative Fund's NAV at the time of sale.

"Darren McKall"
Associate Vice President, Investment Management Division
Ontario Securities Commission

Application File #: 2025/0392
SEDAR+ File #: 6302284

B.3.7 Fidelity Investments Canada ULC and Fidelity Canadian Private Real Estate Trust

Headnote

National policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – relief from requirement to file a Form 45-106F1 Report of Exempt Distribution 10 days after the distribution as prescribed under subsection 6.1(2) of National Instrument 45-106 Prospectus Exemptions – Filers currently file a Form 45-106F1 after first distribution of series OH units and then amend the filing after automatic switch to series O units following the calculation of net asset value per unit – relief granted on the condition that the Filers prepare and file a completed Form 45-106F1 within 10 days of the automatic switch to series O units.

Applicable Legislative Provisions

National Instrument 45-106 Prospectus Exemptions, s. 6.1(2).

July 4, 2025

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

AND

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

AND

IN THE MATTER OF
FIDELITY INVESTMENTS CANADA ULC
(Fidelity)
AND
FIDELITY CANADIAN PRIVATE REAL ESTATE TRUST
(the Fund)

DECISION

Background

The principal regulator in the Jurisdiction has received an application from Fidelity and the Fund (together, the **Filers**) for a decision under the securities legislation of the Jurisdiction (**Legislation**) to exempt the Filers from filing a Form 45-106F1 *Report of Exempt Distribution* (**Form 45-106F1**) as required under subsection 6.1(2) of National Instrument 45-106 *Prospectus Exemptions* (**NI 45-106**) (the **Requested Relief**).

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

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

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

Interpretation

Terms defined in MI 11-102 and National Instrument 14-101 *Definitions* 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:

Fidelity

1. Fidelity is a corporation amalgamated under the laws of the Province of Alberta, with its head office located in Toronto, Ontario.

2. Fidelity is registered as a mutual fund dealer, exempt market dealer and portfolio manager in each of the Jurisdictions, an investment fund manager in Ontario, Québec and Newfoundland and Labrador, and a commodity trading manager in Ontario.

3. Fidelity is not and has no intention of becoming a reporting issuer in any of the Jurisdictions. Fidelity is not in default of securities legislation in any of the Jurisdictions.

4. Fidelity acts and will act as an exempt market dealer in connection with the distribution of the units of the Fund.

5. Fidelity is the manager and trustee of the Fund.

The Fund

6. The Fund was established as an open-end trust under the laws of the Province of Ontario pursuant to a declaration of trust dated June 30, 2023, as amended and restated February 28, 2024 and June 12, 2024, and as may be further amended from time to time.

7. The Fund is not an investment fund and substantially all of the assets of the Fund are invested in limited partnership units of a partnership.

8. The Fund is not and has no intention of becoming a reporting issuer in any of the Jurisdictions and is not in default of securities legislation in any of the Jurisdictions.

9. The Fund currently offers Series O units on a monthly basis to investors by way of private placement pursuant to (i) the accredited investor exemption from the prospectus requirements under section 2.3 of NI 45-106 or section 73.3 of the *Securities Act* (Ontario) (the **Securities Act**) and (ii)

the employee, executive officer, director and consultant exemption from the prospectus requirements under section 2.24 of NI 45-106. Units of the Fund are only sold to investment funds managed by Fidelity or its affiliates, and employees, directors or officers of Fidelity and its affiliates.

Distribution of Units

10. For operational reasons only, an investor that purchases Series O units initially receives series OH units of the Fund based on one series OH unit per $10.00 of subscription price for the Series O units. These series OH units are automatically switched into Series O units once the Series O net asset value (**NAV**) per unit is calculated, based on such Series O NAV per unit and the $10.00 value of each series OH unit (the **Automatic Switch**). This Automatic Switch is effective as of the first business day of the calendar month following the investor's request to purchase Series O units (each, the applicable **Subscription Time**).

11. The Automatic Switch of series OH units to Series O units, as described above, is the only right that is attached to the series OH units. For greater certainty, series OH units do not represent an interest in the capital of the Fund and are only given to an investor to facilitate the issuance of the Series O units. A series OH unit does not have any economic interest in the Fund and is not entitled to any interest or share in the Fund, in any distribution from the Fund, or in any net assets of the Fund in the event of the termination or winding-up of the Fund.

12. The Series O NAV per unit is calculated at some point during the month following the applicable Subscription Time, but not within the 10-day deadline prescribed under subsection 6.1(2). It is expected that the Series O NAV per unit as of the last business day of each month will only be determined sometime between the 15th and 20th day of the following month. As a result, the applicable Series O NAV per unit that is required to calculate the number of Series O units issued to each subscriber is not known during the 10-day deadline that is prescribed under subsection 6.1(2) of NI 45-106.

13. The Filers currently file an initial Form 45-106F1 reflecting a distribution of "subscription receipts" within ten days of an investor receiving Series OH units. The Filers then amend the Form 45-106F1 once the Automatic Switch occurs at the Series O NAV per unit following the calculation of the Series O NAV per unit.

14. Preparing and then amending the Form 45-106F1 for each issuance of securities has resulted in administrative and operational burden for the Filers. This form of reporting is also unnecessarily complex and may be confusing to readers of a Form 45-106F1. Furthermore, this form of reporting may not be useful since the units of the Fund are only sold to investors that are part of an investment fund managed by Fidelity or its affiliates, or an employee, director or officer of Fidelity or its affiliates.

Requested Relief

15. The Filers have applied for the Requested Relief so that they are exempted from the requirement to file a Form 45-106F1 within 10 days of the distribution of the Series OH units. The Filer will continue to file a Form 45-106F1 within 10 days of the Automatic Switch.

16. The Requested Relief would ease the administrative and operational burden of preparing an initial Form 45-106F1 reflecting the delivery of Series OH units and subsequently amending that Form 45-106F1 to reflect the issuance of Series O units at the correct Series O NAV per unit.

17. The Requested Relief would also allow the Filers to prepare and file a single Form 45-106F1 in accordance with Part 6 of NI 45-106 and would provide interested parties with a clearer picture of Series O unit issuances.

Decision

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

The decision of the principal regulator is that the Requested Relief is granted provided that the Filers prepare and file a completed Form 45-106F1 within 10 days of the Automatic Switch as required by subsection 6.1(2) and in accordance with Part 6 of NI 45-106.

"Lina Creta"
Associate Vice President, Corporate Finance
Ontario Securities Commission

OSC File #: 2025/0099

B.3.8 1832 Asset Management L.P. and Dynamic Retirement Income Fund

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Relief granted from certain provisions of NI 81-101, NI 41-101, NI 81-102 and NI 81-106 to permit new ETF Series of Continuing Funds to use the past performance, financial data, start date, fund expenses and other data of corresponding Terminating ETFs in their sales communications, ETF Facts, management reports of fund performance and financial statements, and use the past performance of the Terminating ETFs to determine and disclose their investment risk rating in the simplified prospectus and ETF Facts – Terminating ETFs are being merged into new ETF series of corresponding Continuing Funds – Investment objectives of each Terminating ETF are substantially similar to those of its corresponding Continuing Fund – ETF Series of corresponding Continuing Funds being created for the purpose of the mergers – Each Continuing Fund is and will be managed in a manner that is substantially similar in all material respects to the manner in which the corresponding Terminating ETF has been managed – Relief will enable investors to have more complete and accurate information about whether to invest or to continue to hold investments in the ETF Series of the Continuing Funds.

Applicable Legislative Provisions

National Instrument 41-101 General Prospectus Requirements, ss. 3.1(2), 3B.2 and 19.1(1).
Form 41-101F4 Information Required in an ETF Facts Document, Items 2, 4 and 5 of Part I, and Item 1.3 of Part II.
National Instrument 81-101 Mutual Fund Prospectus Disclosure, ss. 2.1 and 6.1(1).
Form 81-101F1 Contents of Simplified Prospectus, Items 8(2) and 10(b) of Part B.
National Instrument 81-102 Investment Funds, ss. 15.3(2), 15.6(1)(a)(i)(A), 15.6(1)(b), 15.6(1)(d)(i), 15.8(2)(a), 15.8(2)(a.1), 15.8(3)(a), 15.8(3)(a.1), 15.1.1 and 19.1(1).
National Instrument 81-106 Investment Fund Continuous Disclosure, ss. 2.1, 2.3, 4.4 and 17.1(1).
Form 81-106F1 Contents of Annual and Interim Management Report of Fund Performance, Items 3.1(1), 3.1(7), 3.1(7.1), 3.1(8), 4.1(1), 4.1(2), 4.2(1), 4.2(2), 4.3(1)(a) and 4.3(1)(b) of Part B and Items 3(1) and 4 of Part C.

July 14, 2025

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

AND

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

AND

IN THE MATTER OF
1832 ASSET MANAGEMENT L.P.
(the Filer)

AND

IN THE MATTER OF
DYNAMIC RETIREMENT INCOME FUND
(the Continuing Fund)

DECISION

Background

The principal regulator in the Jurisdiction has received an application from the Filer, on behalf of the Continuing Fund, a mutual fund that offers Mutual Fund Securities (as defined below) and intends to offer ETF Securities (as defined below), for a decision under the securities legislation of the Jurisdiction of the principal regulator (the **Legislation**) that grants exemptive relief to the Filer and the Continuing Fund as set forth below (collectively, the **Exemption Sought**):

(a) an exemption from section 2.1 of National Instrument 81-101 *Mutual Fund Prospectus Disclosure* (**NI 81-101**) to modify Item 8(2) of Part B of Form 81-101F1 *Contents of Simplified Prospectus* (**Form 81-101F1**) to permit

the exchange-traded series (**ETF Series**) of the Continuing Fund to disclose the start date of Terminating ETF (as defined below) as its series start date in the simplified prospectus of the Continuing Fund;

(b) an exemption from sections 3.1(2) and 3B.2 of National Instrument 41-101 *General Prospectus Requirements* (**NI 41-101**) for the purposes of the following exemptions sought from Form 41-101F2 *Information Required in an Investment Fund Prospectus* (**Form 41-101F2**) and Form 41-101F4 *Information Required in an ETF Facts Document* (**Form 41-101F4**):

(i) Item 2 of Part I of Form 41-101F4 to permit the ETF Series of the Continuing Fund to disclose the start date, management expense ratio (**MER**), average daily volume, number of days traded, market price, net asset value and average bid-ask spread of the Terminating ETF as its information in the ETF Facts (as defined below);

(ii) Item 5 of Part I of Form 41-101F4 to permit the ETF Series of the Continuing Fund to use the past performance data of the Terminating ETF in the "Average return", "Year-by-year returns" and "Best and worst 3-month returns" sections in the ETF Facts; and

(iii) Item 1.3 of Part II of Form 41-101F4 to permit the ETF Series of the Continuing Fund to use the MER, the trading expense ratio and the expenses of the Terminating ETF in the "ETF expenses" section of the ETF Facts;

(c) an exemption from sections 15.3(2), 15.6(1)(a)(i)(A), 15.6(1)(b), 15.6(1)(d)(i), 15.8(2)(a), 15.8(2)(a.1), 15.8(3)(a) and 15.8(3)(a.1) of National Instrument 81-102 *Investment Funds* (**NI 81-102**) to permit the ETF Series of the Continuing Fund to use the performance data of the Terminating ETF in sales communications and reports to securityholders (collectively, **Fund Communications**) of the Continuing Fund (together with paragraphs (a) and (b) above, the **Past Performance Relief**);

(d) an exemption from sections 2.1 and 2.3 of National Instrument 81-106 *Investment Fund Continuous Disclosure* (**NI 81-106**) to permit the Continuing Fund, for its first financial year following the Merger Date (as defined below), to file comparative annual and interim financial statements that include, in respect of the ETF Series of the Continuing Fund, information derived from the financial statements of the Terminating ETF;

(e) an exemption from section 4.4 of NI 81-106 for relief from the requirements of Form 81-106F1 *Contents of Annual and Interim Management Report of Fund Performance* (**Form 81-106F1**) set out below, to permit the Continuing Fund to include in its annual and interim management reports of fund performance (**MRFPs**), in respect of the ETF Series of the Continuing Fund, the performance data and information derived from the financial statements and other financial information (collectively, the **Financial Data**) of the Terminating ETF, as follows:

(i) Items 3.1(1), 3.1(7), 3.1(7.1) and 3.1(8) of Part B of Form 81-106F1 to permit the ETF Series of the Continuing Fund to use the financial highlights of the Terminating ETF in its Form 81-106F1;

(ii) Items 4.1(1), 4.1(2), 4.2(1), 4.2(2), 4.3(1)(a) and 4.3(1)(b) of Part B of Form 81-106F1 to permit the ETF Series of the Continuing Fund to use the past performance data of the Terminating ETF in its Form 81-106F1; and

(iii) Items 3(1) and 4 of Part C of Form 81-106F1 to permit the ETF Series of the Continuing Fund to use the financial highlights and past performance data of the Terminating ETF in its Form 81-106F1 (together with paragraph (d) above, the **Continuous Disclosure Relief**);

(f) an exemption from Section 15.1.1(a) of NI 81-102 and Items 2 and 4 of Appendix F *Investment Risk Classification Methodology* to NI 81-102 (**Appendix F**) to permit the ETF Series of the Continuing Fund to include the past performance data of the Terminating ETF in determining its investment risk level in accordance with Item 3 of Appendix F;

(g) an exemption from Section 15.1.1(b) of NI 81-102 and Item 4(2)(a) and the Instructions of Item 4 of Part I of Form 41-101F4 to permit the ETF Series of the Continuing Fund to disclose its investment risk level as determined by including the past performance data of the Terminating ETF in accordance with Item 3 of Appendix F, as amended by the requested exemptive relief; and

(h) an exemption from Item 10(b) of Part B of Form 81-101F1 to permit the ETF Series of the Continuing Fund to use the Terminating ETF's past performance data to calculate the ETF Series' investment risk rating when complying with Item 4 of Appendix F.

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

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

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

Interpretation

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

Continuing Fund means Dynamic Retirement Income Fund.

ETF Facts means a prescribed summary disclosure document required pursuant to NI 41-101, in the form prescribed by Form 41-101F4, in respect of one or more classes or series of ETF Securities being distributed under a prospectus.

ETF Securities means securities of an exchange-traded class or series of a Fund that are listed or will be listed on the TSX or another Marketplace, including the ETF Series, and that will be distributed pursuant to a simplified prospectus prepared in accordance with NI 81-101 and Form 81-101F1.

Form 81-101F3 means Form 81-101F3 *Contents of Fund Facts Document*.

Fund Facts means a prescribed summary disclosure document required pursuant to NI 81-101 in the form prescribed by Form NI 81-101F3, in respect of one or more series of Mutual Fund Securities being distributed under a simplified prospectus.

Funds means the Continuing Fund and the Terminating ETF.

Marketplace means a “marketplace” as defined in National Instrument 21-101 *Marketplace Operation* that is located in Canada.

Mutual Fund Securities means securities of a non-exchange-traded class or series of a Fund that are or will be distributed pursuant to a simplified prospectus prepared in accordance with NI 81-101 and Form 81-101F1.

Securityholders means beneficial or registered holders of ETF Securities or Mutual Fund Securities, as applicable.

Terminating ETF means Dynamic Active Retirement Income ETF.

TSX means the Toronto Stock Exchange.

Representations

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

The Filer

1. The Filer is a limited partnership formed and organized under the laws of the province of Ontario. The general partner of the Filer is 1832 Asset Management G.P. Inc., an Ontario corporation wholly owned by the Bank of Nova Scotia, with its head office located in Toronto, Ontario.

2. The Filer is registered as: (i) a portfolio manager in all of the provinces of Canada and in the Northwest Territories and the Yukon; (ii) an exempt market dealer in all of the provinces of Canada (except Prince Edward Island and Saskatchewan); (iii) an investment fund manager in Ontario, Quebec, Newfoundland and Labrador and the Northwest Territories; (iv) a commodity trading manager in Ontario; (v) an adviser in Manitoba; and (vi) a derivatives portfolio manager in Quebec.

3. The Filer is the investment fund manager and portfolio manager of the Funds. The Filer has applied, or will apply, to list the ETF Securities of the Continuing Fund on the TSX or another Marketplace.

4. The Filer is not in default of securities legislation in any of the Jurisdictions.

The Funds

5. Each Fund is a mutual fund structured as a trust that is organized and governed by the laws of the Province of Ontario. Each Fund is a reporting issuer in the Jurisdiction(s) in which its securities are distributed.

6. Subject to any exemptions that have been, or may be, granted by the applicable securities regulatory authorities, each Fund is an open-ended mutual fund subject to the provisions of NI 81-102. Securityholders will have the right to vote at a meeting of Securityholders in respect of matters prescribed by NI 81-102.

7. Securities of the Terminating ETF are listed on the TSX and are qualified for sale in each of the Jurisdictions under a long form prospectus and ETF Facts dated February 7, 2025, each of which has been prepared in accordance with NI 41-101.

8. Securities of the Continuing Fund are qualified for sale under a simplified prospectus and Fund Facts dated December 6, 2024, each of which has been prepared in accordance with NI 81-101.

9. The investment objectives of the Terminating ETF are substantially similar to those of the Continuing Fund.

10. The Continuing Fund follows the standard investment restrictions and practices established under NI 81-102, except pursuant to the terms of any exemption that has been obtained.

11. The Filer and the Continuing Fund rely on an exemption granted October 1, 2024 from the requirements to prepare and file a long form prospectus for the ETF Securities of the Continuing Fund in accordance with NI 41-101 in the form prescribed by Form 41-101F2, provided that a prospectus for the ETF Securities of the Continuing Fund is filed in accordance with the provisions of NI 81-101, other than the requirements pertaining to the filing of Fund Facts.

12. On or about May 1, 2025, the Filer expects to file an amendment to the simplified prospectus dated December 6, 2024 of the Continuing Fund (the "**Amended Prospectus**"). Pursuant to the Amended Prospectus, the Filer will qualify for distribution ETF Securities of the Continuing Fund, resulting in the Continuing Fund offering both Mutual Fund Securities and ETF Securities. At this time, the Filer will also file ETF Facts in the form prescribed by Form 41-101F4 for the series of ETF Securities of the Continuing Fund.

13. The Filer will apply to list the ETF Securities of the Continuing Fund on the TSX or another Marketplace. Listing is subject to the approval of the TSX or other Marketplace, in accordance with its applicable listing requirements.

14. None of the Funds are in default of securities legislation in any of the Jurisdictions.

The Merger

15. The Filer is streamlining and amending the structure of the Continuing Fund so that the Continuing Fund will have a "dual class" structure. The dual class structure means that the Continuing Fund will offer both ETF Securities and Mutual Fund Securities.

16. As a part of its streamlining efforts, the Filer proposes to merge the Terminating ETF into the Continuing Fund (the **Merger**) on or about July 18, 2025 (the **Merger Date**) as set forth below.

Terminating ETF	Continuing Fund
Dynamic Active Retirement Income ETF	Dynamic Retirement Income Fund

17. Until the Merger, the securities of the Terminating ETF will be in continuous distribution and listed on the TSX. Upon completion of the Merger, the ETF Series of the Continuing Fund will be listed on the TSX under the ticker symbol of the Terminating ETF. The Filer has confirmed this approach with the TSX. Upon completion of the Merger, the ETF Series of the Continuing Fund may have a different CUSIP number than the Terminating ETF, subject to confirmation by CDS.

18. The ETF Series of the Continuing Fund is expected to be listed for trading on or about July 21, 2025.

19. The Merger will be carried out pursuant to the "pre-approved" merger conditions set out in section 5.6 of NI 81-102.

20. The Merger will be completed without the approval of Securityholders of the Terminating ETF in reliance on subsection 5.3(2)(a) of NI 81-102.

21. The independent review committee of the Terminating ETF has reviewed the potential conflict of interest matters related to the Merger and has approved the Merger after determining that the Merger, if implemented, would achieve a fair and reasonable result for the Terminating ETF, as contemplated by subsection 5.3(2)(a) of NI 81-102.

22. A press release describing the Merger was issued and filed via SEDAR+ on March 18, 2025 and a material change report for the Terminating ETF was filed via SEDAR+ on March 20, 2025.

23. Notice of the Merger will be sent to Securityholders in the Terminating ETF in accordance with subsection 5.3(2)(a)(v) of NI 81-102.

24. The Filer does not consider the Merge to constitute a "material change" for the Continuing Fund and accordingly, there is no intention to convene a meeting of unitholders of the Continuing Fund to approve the Merger pursuant to paragraph 5.1(1)(g) of NI 81-102.

25. The Terminating ETF will be terminated on or about the Merger Date and will be wound up as soon as reasonably possible thereafter.

26. The ETF Series of the Continuing Fund is being created for the purpose of the Merger, and therefore:

    (a) upon completion of the Merger, the unitholders of the Terminating ETF will have rights as investors in ETF Series of the Continuing Fund that are substantially similar in all material aspects to the rights they had as investors in the Terminating ETF prior to the Merger;

    (b) the portfolio managers of the Continuing Fund are the same as the Terminating ETF;

    (c) the Continuing Fund has valuation procedures that are identical to the valuation procedures of the Terminating ETF; and

    (d) the aggregate management fee, the fixed administration fee and other operating expenses attached to the ETF Series of the Continuing Fund will be the same as the current management fee and operating expenses of the Terminating ETF.

27. The Filer considers that the Continuing Fund is and will be managed in a manner which is substantially similar in all material respects to the manner in which the Terminating ETF has been managed.

Past Performance Relief and Continuous Disclosure Relief

28. The Filer is seeking to make the Merger as seamless as possible for investors in the Terminating ETF. The past performance data and financial information of the Terminating ETF is significant information which can assist investors in determining whether to purchase and/or to continue to hold securities of the ETF Series of the Continuing Fund. The ETF Series of the Continuing Fund will be created upon filing of the Amended Prospectus. The Filer will not commence distributing these ETF Securities until the completion of the Merger. As a result, as at the effective date of the Merger, in the absence of the Exemption Sought, the ETF Series of the Continuing Fund will not have its own past performance or series specific financial data on which investors can base an investment decision.

29. The Filer submits that treating the ETF Series of the Continuing Fund as fungible with the Terminating ETF for purposes of the past performance data and financial information of the Continuing Fund would be beneficial to investors and that to do otherwise would cause unnecessary confusion among investors concerning the difference between the Terminating ETF and the ETF Series of the Continuing Fund.

30. The Exemption Sought will allow the Continuing Fund to disclose information to investors in the ETF Series that is based on the same type of information that was applicable to the Terminating ETF, that is:

    (a) The ETF Facts for the ETF Series will contain information that is based on the information disclosed in the ETF Facts for the Terminating ETF, until such time as the Continuing Fund has information regarding the ETF Series based on its own operations for the applicable periods.

    (b) The simplified prospectus for the Continuing Fund will contain information about the ETF Series of the Continuing Fund that is based on the information disclosed in the prospectus for the Terminating ETF until such time as the Continuing Fund has information regarding the ETF Series based on its own operations for the applicable periods.

    (c) The risk level for the ETF Series of the Continuing Fund will be based on, and calculated in accordance with, the performance of the Terminating ETF, until such time as the ETF Series has the requisite 10-years of performance history. In this regard, the Filer considers that it is appropriate that the ETF Series have its own investment risk level, as contemplated in Item 3 of Appendix F of NI 81-102.

    (d) The MRFPs and financial statements for the Continuing Fund will contain information about the ETF Series of the Continuing Fund that is based on the information disclosed in the past MRFPs and financial statements, as applicable, for the Terminating ETF until such time as the Continuing Fund has information regarding the ETF Series based on its own operations for the applicable periods.

(e) The Fund Communications for the ETF Series of the Continuing Fund will include the applicable past performance data of the Terminating ETF prepared in accordance with Part 15 of NI 81-102.

31. The Filer will include disclosure about the Merger in each of the documents listed in paragraph 29, to the extent the Filer considers appropriate for the type of document.

32. The Filer submits that investors will not be misled if each of the documents listed in paragraph 29 contains the applicable information about the Terminating ETF and rather will have more complete and accurate information about whether to invest or to continue to hold investments in the ETF Series of the Continuing Fund.

Decision

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

1. the Past Performance Relief is granted, provided that:

   (a) the Fund Communications of the ETF Series of the Continuing Fund include the past performance data of Terminating ETF prepared in accordance with Part 15 of NI 81-102

   (b) the simplified prospectus of the Continuing Fund:

      (i) includes information about the ETF Series of the Continuing Fund that is based on the information disclosed in the prospectus for the Terminating ETF, until such time as the Continuing Fund has information regarding the ETF Series based on its own operations for the applicable periods;

      (ii) discloses that the start date for the ETF Series of the Continuing Fund is the start date of the Terminating ETF where the start date of the ETF Series is stated; and

      (iii) discloses the Merger where the start date for each series of the Continuing Fund is stated;

   (c) the ETF Facts for the ETF Series of the Continuing Fund:

      (i) includes information that is based on the information disclosed in the ETF Facts for the Terminating ETF, until such time as the Continuing Fund has information regarding the ETF Series based on its own operations for the applicable periods prepared in accordance with Part 15 of NI 81-102;

      (ii) states that the “Date series started” date is the “Date series started” date of the Terminating ETF; and

      (iii) discloses the Merger where the “Date series started” date is stated; and

   (d) the Continuing Fund prepares its MRFPs in accordance with the Continuous Disclosure Relief; and

2. the Continuous Disclosure Relief is granted, provided that:

   (a) the MRFPs and financial statements for the Continuing Fund include the Financial Data of the Terminating ETF pertaining to the Terminating ETF and disclose the Merger for the relevant time periods; and

   (b) the Continuing Fund prepares its simplified prospectus, ETF Facts and other Fund Communications in accordance with the Past Performance Relief.

“Darren McKall”
Associate Vice President, Investment Management Division
Ontario Securities Commission

Application File #: 2025/0292
SEDAR+ File #: 6279595

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
THERE IS NOTHING TO REPORT THIS WEEK.		

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

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

B.4.3 Outstanding Management & Insider Cease Trading Orders

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

Company Name	Date of Order	Date of Lapse
Agrios Global Holdings Ltd.	September 17, 2020	
Sproutly Canada, Inc.	June 30, 2022	
iMining Technologies Inc.	September 30, 2022	
Alkaline Fuel Cell Power Corp.	April 4, 2023	
mCloud Technologies Corp.	April 5, 2023	
FenixOro Gold Corp.	July 5, 2023	
HAVN Life Sciences Inc.	August 30, 2023	
Perk Labs Inc.	April 4, 2024	
Rivalry Corp.	May 1, 2025	

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B.6
Request for Comments

B.6.1 CSA Notice and Request for Comment 25-314 – Proposed Approach to Oversight and Refinements to the Proposed Binding Authority Framework for an Identified Ombudservice

CSA/ACVM Canadian Securities Administrators Autorités canadiennes en valeurs mobilières

CSA NOTICE AND REQUEST FOR COMMENT 25-314

PROPOSED APPROACH TO OVERSIGHT AND REFINEMENTS TO THE PROPOSED BINDING AUTHORITY FRAMEWORK FOR AN IDENTIFIED OMBUDSERVICE

July 15, 2025

Introduction

The Canadian Securities Administrators (**CSA** or **we**) are publishing for a **60-day comment period expiring September 15, 2025** our proposed approach to oversight of an independent dispute resolution service that can make binding decisions (the **identified ombudservice**) together with additional matters described below. It is anticipated that the Ombudsman for Banking Services and Investments (**OBSI**) will be the identified ombudservice.

The foundation of the CSA's approach to oversight of OBSI would include designation or recognition orders (each, a **designation order**) and a Memorandum of Understanding among participating CSA jurisdictions (the **MOU**). The designation order would set out the terms and conditions that OBSI would be bound by upon designation or recognition as the identified ombudservice,[1] while the MOU would detail how the CSA would oversee OBSI.[2] Together, the designation order and the MOU make up the CSA's proposed approach to oversight (the **oversight framework**). To implement the oversight framework, enabling legislation will be required in each participating jurisdiction.

The CSA is also publishing for comment proposed refinements to the regulatory framework (the **proposed framework**) published by the CSA for comment on November 30, 2023 (the **2023 CSA Notice**). The proposed framework includes a two-stage process for how OBSI would resolve a complaint, with an investigation and recommendation stage (**stage 1**) and an optional review and decision stage (**stage 2**) conducted by OBSI. The proposed refinements would require OBSI to appoint external decision makers to conduct the processes at stage 2 if OBSI's recommendation at stage 1 meets a monetary threshold (the **proposed refinements**). Specifically, if either party initiates stage 2 regarding a stage 1 recommendation of $75,000 or more, the proposed refinements contemplate that OBSI would be required to appoint an external decision maker or panel of external decision makers to conduct the review and issue a final and binding decision at stage 2. The proposed refinements recognize the potential impact a higher-value recommendation may have on the parties once it becomes a binding decision and are aimed at addressing concerns raised by commenters in response to the 2023 CSA Notice.

Many CSA jurisdictions will require legislative amendments to enable the proposed framework, including the oversight framework. Any amendments to local acts would be proposed by governments. Proposed legislative amendments would only become law in a CSA jurisdiction if they are proclaimed and in force in that jurisdiction. Nothing in this Notice or the decision to publish this Notice should be considered as an indication of whether such legislative amendments will be made in any jurisdiction.

The British Columbia Securities Commission (**BCSC**) supports the outcomes intended by this project, but did not participate in the 2023 proposal for comment of the amendments to National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations* (**NI 31-103**) or proposed changes to Companion Policy 31-103CP *Registration Requirements, Exemptions and Ongoing Registrant Obligations* (**31-103CP**). The BCSC is not participating in the publication of the designation order or the memorandum of understanding. British Columbia is considering legislative changes that may achieve the same outcomes as those intended by the proposed framework. The BCSC is interested in feedback about the oversight framework, the proposed refinements, and OBSI's limitation period and will take comments into consideration.

[1] Published for comment as Annex A.
[2] Published for comment as Annex B.

In Québec, the Autorité des marchés financiers (**AMF**) provides, pursuant to its governing legislation, conciliation and mediation services to consumers of financial products and services, including retail investors. The AMF is participating in the CSA consultation by proposing to maintain the exemption applicable to firms registered in Québec regarding the dispute resolution services requirements under NI 31-103. That being said, most retail investors in Québec also have access to OBSI's dispute resolution. Although OBSI would not be designated or recognized as an identified ombudservice in Québec, OBSI's non-binding services would remain available to retail investors in Québec. Given this context, the AMF would continue participating in the oversight of OBSI, as detailed in the MOU.

Background

On November 30, 2023, the CSA jurisdictions other than the BCSC published for comment proposed amendments to certain complaint handling provisions of NI 31-103, as well as proposed changes to 31-103CP, which would form part of the proposed framework in those jurisdictions. The BCSC supports the outcomes intended by the 2023 CSA Notice.

The 2023 CSA Notice also described potential key structural elements of the proposed framework along with the CSA's rationale for proposing these elements. This included an overview of the CSA's proposed approach to enhanced oversight of OBSI that would broadly follow the approach for oversight of entities such as self-regulatory organizations.

The proposed framework is intended to provide fair and accessible dispute resolution as an alternative to litigation. This includes addressing the problem of low settlements that is enabled by the power imbalance between typical retail clients and firms. Although it is anticipated that OBSI will be the identified ombudservice, the proposed framework, oversight framework, and the proposed refinements would only apply to OBSI's investment mandate.

Overview of OBSI's dispute resolution process under the proposed framework published in 2023

As noted above, the proposed framework introduced two stages to the dispute resolution process. Stage 1 would carry forward OBSI's current investigative processes, using the inquisitorial approach, and result in a recommended outcome (**recommendation**).

After OBSI makes a recommendation, the complainant or the firm could object to the recommendation within a specified time (the **acceptance period**). A recommendation would become final and binding after:

- OBSI receives acceptance of the recommendation from both the complainant and firm; or
- the end of the acceptance period if the firm did not object to the recommendation and if the complainant accepted the recommendation or did not object to it.

If either or both the complainant and the firm object to OBSI's recommendation, the complaint proceeds to stage 2 where OBSI would review the recommendation and issue a decision. The 2023 CSA Notice proposed that during the review and decision stage, a senior OBSI decision maker who was not involved at stage 1 would consider the party's formal objection to the recommendation. The senior OBSI decision maker would apply the essential process test to maximize the speed, efficiency, and clarity of processes while resolving the dispute in a fair manner. The essential process test would enable the senior OBSI decision maker to use processes that range from inquisitorial to adversarial, but with adversarial processes anticipated to be used infrequently. At the end of stage 2, the senior OBSI decision maker would provide a decision to the parties.

If the complainant initiated the stage 2 review, then the stage 2 decision would be final and binding on both parties once issued. If stage 2 was not initiated by the complainant, the complainant would be able to accept or reject the decision within a specified time (the **post-decision period**). In the exceptional circumstance where the complainant has not accepted or rejected the decision by the end of the post-decision period, the decision would become final and binding on both parties.

Once a decision becomes final and binding, firms would be required to promptly comply with the decision. As stated in the 2023 CSA Notice, it is contemplated that a final decision may be filed with the courts as a court order if a firm fails to comply with the final decision.

Highlights of comments and responses regarding oversight and appeals

The comments received in response to the 2023 CSA Notice generally supported the CSA developing an oversight regime that balances accountability with independence for OBSI. Commenters expressed interest in the CSA's ongoing development of its oversight framework; however, their recommendations on the approach to oversight varied. Some commenters called for an approach that would not unreasonably encroach on OBSI's existing level of independence as an organization, while others called for greater oversight once OBSI receives binding authority. Many commenters also expressed concern about the absence of a substantive external right of appeal from a binding decision of OBSI.

Although commenters generally support a fair, accessible, and cost-effective dispute resolution service, a significant portion identified as a concern the absence of a mechanism to appeal a binding decision. Many commenters, including those that are

otherwise supportive of a dispute resolution service with binding authority, advocated strongly for an external appeal mechanism beyond judicial review, and expressed significant concern related to, among other things:

- the internal stage 2 review process under the proposed framework, given the risk of perceived or actual bias, noting that a review by an independent party outside of OBSI would instill confidence in the proposed framework
- procedural fairness, even with the introduction of the essential process test, the application of which would rely on OBSI's discretion
- the absence of a statutory right of appeal

While the CSA remains confident in OBSI's ability to resolve disputes in a fair and independent manner, the CSA is proposing refinements to the proposed framework to further promote trust and confidence in the binding dispute resolution process while maintaining accessibility and efficiency. The proposed refinements are intended to address stakeholder concerns in a more economical way than a statutory right of appeal to a securities tribunal or a court would. As discussed in the 2023 CSA Notice, an appeal process would increase expense, delay, and complexity for all parties. In contrast, the proposed refinements offer a targeted approach to addressing stakeholder concerns that also limits the potential costs to the parties and preserves the accessibility and efficiency of OBSI's dispute resolution processes which are distinct from traditional judicial processes. Specifically, the introduction of external decision makers, who would be retained on a contractual basis rather than being employed full-time by OBSI, provides the opportunity for parties to have their submissions heard by someone external to OBSI in instances where a higher compensation amount is at issue before a binding decision is rendered. Under this approach, OBSI's processes will continue to apply, and parties would not need to retain legal counsel for assistance navigating formal judicial or quasi-judicial procedures to have their matter resolved.

The CSA believes the proposed refinements, together with the CSA's enhanced approach to overseeing OBSI, strike an appropriate balance between maintaining OBSI's level of independence and ensuring a level of accountability that is commensurate with the authority to make final and binding decisions for compensation up to $350,000.

Comments regarding OBSI's limitation period

Some commenters raised concerns about OBSI's six-year limitation period applying in a binding authority context since many jurisdictions in Canada have a two-year limitation period for pursuing a civil action in court. Other commenters noted that the limitation period for a civil action should remain suspended until OBSI closes a complaint. A few advocated for broader guidelines relating to a "reasonable" timeframe to bring a complaint instead of a specified time limit.

While the CSA is not proposing a change to the limitation period at this time, this consultation provides some additional background information and invites comments regarding OBSI's six-year limitation period.

The Oversight Framework

It remains the CSA's view that implementing the proposed framework would enhance the accessibility and efficiency of the dispute resolution process through OBSI, provide fairness for both firms and complainants, and enhance investor protection and confidence in the investment services sector. Our view is that a comprehensive oversight framework that clearly sets out how OBSI would be accountable to the CSA while also recognizing the unique role of an independent dispute resolution service would further these outcomes as well.

The CSA's current engagement with OBSI's investment mandate is set out in a memorandum of understanding, dated December 1, 2015, which includes standards for OBSI to meet with respect to areas such as governance, independence and standard of fairness, fees and costs, processes to perform functions on a timely and fair basis, and core methodologies for dispute resolution.

The current memorandum of understanding also established a Joint Regulators Committee (**JRC**) whose membership is presently comprised of CSA designated representatives from the Alberta Securities Commission, the BCSC, the Ontario Securities Commission, and the AMF, and representatives from the Canadian Investment Regulatory Organization. The JRC's role is to:

- facilitate a holistic approach to information sharing and monitoring of the dispute resolution process with an overall view to promoting investor protection and confidence in the external dispute resolution system;
- support fairness, accessibility and effectiveness of the dispute resolution process; and
- facilitate regular communication and consultation among JRC members and OBSI.

The 2023 CSA Notice contemplated that OBSI would be subject to enhanced regulatory oversight commensurate with OBSI's proposed ability to make final and binding decisions. In our view, an enhanced oversight regime would require, among other things, that OBSI operate in the public interest, that OBSI meet certain corporate governance standards set by the CSA, CSA

approval of OBSI's key governing documents (e.g., Terms of Reference, procedural rules, etc.), more robust reporting practices, and examinations by the CSA of OBSI against the obligations in the designation order and local enabling legislation.

To that end, the CSA has developed:

- a draft designation order that includes the terms and conditions that OBSI would be bound by if designated as the identified ombudservice, and
- a draft MOU that, on execution, would be an agreement among jurisdictions (**designating regulators**[3]) regarding their oversight of OBSI as the identified ombudservice and that sets out the CSA's proposed oversight review methodology. The MOU anticipates establishing an oversight committee to co-ordinate and discuss oversight activities and the approval of, or non-objection to, certain key documents of OBSI (the **OBSI Oversight Committee**). We anticipate that transitional provisions would also be added to a final version of the MOU to account for the possible staggered implementation of the proposed framework, including the oversight framework.

(a) Governance

It is anticipated that under the terms and conditions of the designation order, OBSI would be required to (among other things):

- maintain a separation between the roles of the Chief Executive Officer (**CEO**) and Chair of the Board of Directors (the **Board**)
- maintain appropriate term limits for members of the Board
- maintain skills matrices for the Board, CEO, ombudsperson and external decision makers
- ensure its dispute resolution process remains independent and impartial from the Board
- ensure its corporate governance effectively addresses its public interest obligation, which includes providing independent and impartial dispute resolution services.

Additionally, the nomination of independent directors, appointment of the CEO, and changes to the skills matrices listed above would require concurrence of the designating regulators.

(b) CSA Approval of Documents

It is anticipated that any changes to the following would require prior approval by designating regulators, following consideration by the OBSI Oversight Committee:

- the terms of reference, by-laws, procedural guidelines,[4] or any other governing documents of OBSI
- the corporate governance structure of OBSI
- the charter or mandate of the Board and each of its committees
- the assignment, transfer, delegation, or sub-contracting of the performance of all or part of OBSI's functions or responsibilities
- the access criteria and process for a firm to become a member of OBSI
- loss calculation methodologies
- the fee model in determining membership fees for firms.

Similarly, any material changes to the following would require prior approval by designating regulators, following consideration by the OBSI Oversight Committee:

- the Board and employee code of conduct and written policy about managing potential conflicts of interest
- the functions OBSI performs

[3] AMF would participate in the MOU with respect to the supervision of OBSI's non-binding services provided to Québec investors and registered firms.

[4] Including material relating to the application of the fairness standard and the essential process test that would be required under subsection 5(1)(a) of Appendix A to the Designation Order (see Annex A).

- OBSI's organizational structure, including the location of OBSI's offices.

In instances where there are proposed changes to a document that OBSI publishes detailing its complaint handling process, including any procedures, the CSA would require that they be published for comment before the designating regulators provide their decisions. Where proposed changes have no material impact on investors, firms, or OBSI generally, they would not be required to be published for comment.

(c) Reporting Obligations

The oversight framework sets out the designating regulators' expectations for OBSI with respect to reporting, including prior or prompt notification to the OBSI Oversight Committee of significant events, such as any potential material violations of applicable securities legislation by a firm of which OBSI becomes aware in the ordinary operation of its activities.

Additionally, OBSI would be required to submit written reports regarding its operations, including summary statistics for the previous quarter regarding all complaints, and a summary of files (if any) that were referred to the OBSI Oversight Committee. OBSI would also be required to submit to the OBSI Oversight Committee on an annual basis a written report containing, among other things, a self-assessment of how it is meeting its mandate. This report would include a certification by OBSI's CEO and general counsel that OBSI is in compliance with the terms and conditions set out in the designation order.

The CSA must also receive reasonable prior notification of material changes to OBSI's internal procedural guidelines or any document it intends to publish to the public that could have significant impact on the firms or the capital markets. OBSI must receive confirmation from the CSA that it has no questions or comments on these documents before proceeding with the changes or publication of the material.

(d) Periodic examinations by the CSA

To confirm OBSI is compliant with the designation order and to ensure that regulatory expectations are met, the designating regulators may perform periodic reviews of OBSI's functions, including reviews relating to specific investment complaint cases considered by OBSI. Such reviews may include the sampling of OBSI recommendations and decisions to identify any relevant trends and patterns. The reviews will be focused on OBSI's performance of its functions and will have no bearing on the outcome of OBSI cases or constitute an appeal of the findings or process. For example, periodic examinations, combined with reporting, would help the CSA identify whether OBSI's interpretation of securities regulatory requirements and policy is consistent with the views of the designating regulators.

OBSI could be required, at the direction of the CSA, to undergo independent third-party evaluations of its operations at minimum once every three years, and to seek the CSA's input on its proposed response to any recommendations arising from the third-party evaluation.

Refinements to the Proposed Framework

As mentioned above, the proposed refinements would apply in cases where a party objects to a stage 1 recommendation that meets or exceeds $75,000. In those cases, rather than appointing a senior internal decision-maker to conduct the stage 2 review and issue a binding decision, OBSI would be required to appoint a single or panel of external decision maker(s).

The external decision makers would not be employees of OBSI but instead would be retained by OBSI on a part-time basis. They would be appointed to a roster that would be maintained by OBSI and approved by the CSA. We anticipate that this roster would largely comprise industry experts, lawyers and relevant technical experts.

The external decision makers would receive the same training that decision makers who are employed by OBSI ordinarily receive. This includes training relating to the application of the fairness standard, the essential process test, and decision writing. To ensure consistency in OBSI decision making, all stage 2 processes would be conducted in the same manner regardless of whether the reviewing decision maker is an external decision maker or not.

The proposed designation order contemplates that OBSI would, given its unique expertise, train all decision makers and would identify and avoid conflicts of interest regarding all decision makers.

While OBSI would be required to appoint a single or panel of external decision maker(s) for stage 2 reviews of stage 1 recommendations that meet or exceed $75,000, OBSI would be free to exercise its discretion when assigning decision makers to all other stage 2 reviews. For example, in a case where OBSI recommends compensation below $75,000 or no compensation at all at stage 1, OBSI could assign an external decision maker to an ensuing stage 2 review or determine that a stage 2 review should be conducted by a panel of both internal and external decision makers. When determining who would conduct the stage 2 review where the stage 1 recommendation was less than $75,000, OBSI would take into consideration the nature of the dispute as well as the skills and experience needed to achieve an efficient resolution of the dispute. We expect that OBSI will develop processes and criteria to determine when to assign external decision makers to complaints below the monetary threshold, which would be subject to the CSA's oversight.

The proposed monetary threshold of $75,000 is intended to ensure that enhanced procedures apply at stage 2 where OBSI recommends monetary compensation at stage 1 that is sufficiently high and therefore of more significant impact to the parties, without compromising the accessibility, fairness, and overall efficiency of OBSI's dispute resolution process for most cases. Stipulating that higher value cases require external decision makers would also limit the potential cost impact on firms. Since OBSI operates on a cost-recovery basis and allocates its budget between different industry sectors using OBSI's services in the form of membership fees, additional cost requirements on OBSI from retaining external decision makers would be passed on to firms.

Table 1: OBSI Investment Case Recommendations Over $50,000 (FY 2020 – 2024)

Range	2020	2021	2022	2023	2024	Total
$100,000 & over	2	4	3	-	7	**16**
$75,000 - $99,999	-	1	-	3	-	**4**
$50,000 -$74,999	2	3	2	5	7	**19**
Total	**4**	**8**	**5**	**8**	**14**	**39**

Based on the information from Table 1, on average, there were about 3 cases where OBSI recommended an amount above $100,000, 4 cases in which OBSI recommended an amount above $75,000, and close to 8 cases in which OBSI recommended an amount above $50,000 in each fiscal year since 2020. While this past data cannot predict the quantum of recommendations upon implementation of the proposed framework, it provides helpful guidance for setting an appropriate monetary threshold in cases involving significant values while maintaining the accessibility and efficiency of the proposed framework.

Limitation Periods

Generally, limitation periods set out the amount of time a party has to commence a claim against another party. In the context of civil litigation, limitation periods are set by provincial laws, which vary by jurisdiction.

While legal limitation periods do not apply to complaints considered by OBSI, for fairness reasons, OBSI imposes a limitation period on claims that complainants can bring to them.[5] Section 5.1(e) of OBSI's Terms of Reference states that OBSI may investigate a complaint it receives provided OBSI is satisfied that the complainant raised their complaint with their firm within six years after the complainant knew or ought to have known about the circumstances from which the complaint arose. This limitation period is reflected in the definition of "complaint" at subsection 13.16(1) of NI 31-103. The same limitation period also applies to OBSI's banking mandate.

Maintaining OBSI's six-year limitation period would provide uniformity across CSA jurisdictions for accessing OBSI's dispute resolution services and is in line with the proposed framework's policy goal of providing an accessible alternative to court.

Request for Comments

In addition to any general comments you may have, we also invite comments on the specific questions below:

1. Is $75,000 an appropriate threshold amount to require OBSI to appoint an external decision maker or a panel of external decision makers at stage 2?

2. Does setting a monetary threshold for the requirement to appoint an external decision maker at stage 2 impact the accessibility of the proposed framework for investors?

3. What would be potential advantages and disadvantages of permitting OBSI to appoint senior OBSI staff not involved in the stage 1 process to a panel conducting the stage 2 process in cases that meet or exceed the proposed monetary threshold, if the majority of the panel is comprised of external decision makers?

4. Does the oversight framework strike the appropriate balance between ensuring OBSI's accountability and maintaining OBSI's organizational and decision-making independence?

5. What would the impact be of maintaining OBSI's current six-year limitation period?

[5] Limitation Period, "OBSI's approach to the six-year limitation period", at https://www.obsi.ca/en/how-we-work/our-approaches/limitation-period/.

Please submit your comments in writing on or before September 15, 2025 and address your submission to all of the CSA as follows:

British Columbia Securities Commission
Alberta Securities Commission
Financial and Consumer Affairs Authority of Saskatchewan
Manitoba Securities Commission
Ontario Securities Commission
Autorité des marchés financiers
Financial and Consumer Services Commission of New Brunswick
Superintendent of Securities, Department of Justice and Public Safety, Prince Edward Island
Nova Scotia Securities Commission
Securities Commission of Newfoundland and Labrador
Registrar of Securities, Northwest Territories
Registrar of Securities, Yukon Territory
Superintendent of Securities, Nunavut

Please deliver your comments only to the addresses below. Your comments will be distributed to the other participating CSA members.

Meg Tassie
Senior Advisor, Legal Services,
Capital Markets Regulation
British Columbia Securities Commission
1200 - 701 West Georgia Street
P.O. Box 10142, Pacific Centre
Vancouver, British Columbia V7Y 1L2
Fax: 604 899-6506
mtassie@bcsc.bc.ca

The Secretary
Ontario Securities Commission
20 Queen Street West
22nd Floor, Box 55
Toronto, Ontario
M5H 3S8
Fax: 416 593-2318
comments@osc.gov.on.ca

Me Philippe Lebel
Corporate Secretary and Executive Director,
Legal Affairs
Autorité des marchés financiers
Place de la Cité, tour PwC
2640, boulevard Laurier, bureau 400
Québec (Québec) G1V 5C1
Fax : 514-864-6381
Consultation-en-cours@lautorite.qc.ca

We cannot keep submissions confidential because securities legislation in certain provinces requires publication of the written comments received during the comment period. All comments received will be posted on the websites of each of the Alberta Securities Commission at www.albertasecurities.com, the Autorité des marchés financiers at www.lautorite.qc.ca and the Ontario Securities Commission at www.osc.ca. Therefore, you should not include personal information directly in comments to be published. It is important that you state on whose behalf you are making the submission.

Contents of Annexes

This Notice contains the following annexes:

Annex A – Draft Designation Order for the identified ombudservice

Annex B – Draft Memorandum of Understanding

Questions

Please refer your questions to any of the following:

British Columbia Securities Commission

Meg Tassie
Senior Advisor
Capital Markets Regulation
(604) 899-6819
mtassie@bcsc.bc.ca

Isaac Filate
Senior Legal Counsel
Capital Markets Regulation
(604) 899-6573
ifilate@bcsc.bc.ca

Alberta Securities Commission

Eniko Molnar
Senior Legal Counsel
Market Regulation
(403) 297-4890
eniko.molnar@asc.ca

Manitoba Securities Commission

Arian Poushangi
Legal Counsel
(204) 945-1513
arian.poushangi@gov.mb.ca

Financial and Consumer Affairs Authority of Saskatchewan

Mobolanle Depo-Fajumo
Legal Counsel
Securities Division
(306) 798-3381
mobolanle.depofajumo2@gov.sk.ca

Ontario Securities Commission

Frank McBrearty
Senior Legal Counsel
Investor Office
Toll Free: 1-877-785-1555
fmcbrearty@osc.gov.on.ca

Vivian Lee
Senior Legal Counsel
Investor Office
Toll Free: 1-877-785-1555
vlee@osc.gov.on.ca

Autorité des marchés financiers

Cindy Côté
Senior Policy Analyst
Distribution Practices and SROs
(418) 525-0337, ext. 4814
Toll Free 1-800-525-0337
cindy.cote@lautorite.qc.ca

Gabriel Chénard
Senior Policy Analyst
Supervision of Intermediaries
(514) 395-0337, ext. 4482
Toll-free: 1 800 525-0337
gabriel.chenard@lautorite.qc.ca

Financial and Consumer Services Commission of New Brunswick

Clayton Mitchell
Registration and Compliance Manager
(506) 658-5476
clayton.mitchell@fcnb.ca

Jake Calder
Manager, Policy – Securities
(506) 700-5991
Jake.calder@fcnb.ca

Nova Scotia Securities Commission

Doug Harris
General Counsel, Director of Market Regulation and Policy
and Secretary
Doug.Harris@novascotia.ca

Draft published for consultation purposes. Legislative amendments are required to enable the proposed framework, including the oversight framework.

Many CSA jurisdictions will require legislative amendments to enable the proposed framework, including the oversight framework. Any amendments to local acts would be proposed by governments. Proposed legislative amendments would only become law in a CSA jurisdiction if they are proclaimed and in force in that jurisdiction. Nothing in this document should be considered as an indication of whether such legislative amendments will be made in any jurisdiction.

ANNEX A

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

AND

IN THE MATTER OF
OMBUDSMAN FOR BANKING SERVICES AND INVESTMENTS

DESIGNATION ORDER
(Section X of Y)

[Appropriate recitals will be inserted to provide context relating to the memorandum of understanding]

IT IS ORDERED, under section [TBD] of the Act that OBSI is designated as the identified ombudservice, subject to the terms and conditions set out in Appendix A to this designation order and the applicable provisions of the MOU.

Dated [insert date], effective [insert date]

[signature line]

[signature line]

Appendix A

TERMS AND CONDITIONS

Definitions

1. General

Unless otherwise defined or interpreted, every term used herein has the meaning ascribed to it in subsection 1.1(3) of National Instrument 14-101 *Definitions* or subsection 13.16.01 of National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations* (**NI 31-103**) as applicable.

"Board" means the Board of Directors of OBSI.

"By-Laws" means the by-laws adopted by OBSI as amended from time to time.

"complainant" means any client of a Registered Firm who makes a complaint to OBSI and includes the authorized representative(s) of the client, such as a personal representative, guardian, trustee or executor.

"**Designating Regulators"** means the Alberta Securities Commission; Manitoba Securities Commission; Financial and Consumer Services Commission of New Brunswick; Office of the Superintendent of Securities, Digital Government and Services, Newfoundland and Labrador; Office of the Superintendent of Securities, Northwest Territories; Nova Scotia Securities Commission; Office of the Superintendent of Securities, Nunavut; Ontario Securities Commission; Prince Edward Island Office of the Superintendent of Securities; Financial and Consumer Affairs Authority of Saskatchewan; and Office of the Yukon Superintendent of Securities.

"Director" means a member of the Board.

"External Decision Makers" means decision makers who are not OBSI employees and are retained by OBSI on a part-time basis.

"**Independent Director**" means either a Community Director or Consumer Interest Director as defined in the By-Laws.

"Final OBSI Decision" means an OBSI Decision delivered in writing that has become final and binding on a Registered Firm or on a Registered Firm and a complainant, in accordance with the process set out in the OBSI rules.

"MOU" means the Memorandum of Understanding regarding oversight of OBSI as between the Designating Regulators and those jurisdictions that have not designated or recognized OBSI as the identified ombudservice for the purposes of Division 5 of Part 13 of NI 31-103, which may be amended from time to time.

"**OBSI**" means the Ombudsman for Banking Services and Investments, including all successors and assigns.

"OBSI Decision" means a conclusion about a case with reasons delivered by OBSI in writing to the complainant and the Registered Firm following OBSI's review of an OBSI Recommendation.

"OBSI Recommendation" means a recommendation delivered by OBSI in writing to the complainant and Registered Firm following OBSI's investigation of a complaint.

"Ombudsperson" means the ombudsman appointed by the Board in accordance with the By-Laws.

"**Registered Firm"** means a registered firm to which Part 13, Division 5 of NI 31-103 applies.

"**Terms of Reference"** means OBSI's Terms of Reference, as amended from time to time.

Public interest obligation

2.

OBSI must operate in the public interest. When operating in the public interest, OBSI must, among other things,

(a) provide independent and impartial dispute resolution services;

(b) take reasonable steps to ensure that appropriate training is provided to its Directors, Board committee members, senior management staff, and external decision makers in interpreting OBSI's public interest mandate;

(c) ensure that the compensation structure of its executive officers and senior management is appropriately linked to the effective delivery of OBSI's public interest mandate;

(d) inform its stakeholders, and the public in general, of OBSI's public interest obligation;

(e) maintain a dispute resolution process that is fair, efficient, and accessible; and

(f) apply a standard to its investigation and review of a complaint that is fair in all the circumstances.

Governance

3.

(1) The Board

OBSI must:

(a) maintain a Board size of not more than 10 Directors;

(b) not permit the Ombudsperson to be chair of the Board;

(c) not permit the same individual to occupy the roles of CEO and chair of the Board;

(d) not permit Directors to be involved in or influence the dispute resolution process of OBSI including but not limited to the investigation, consideration or disposition of complaints;

(e) have a majority of the Board, including the chair, be comprised of Community Directors;

(f) maintain appropriate term limits for the Board;

(g) maintain a Board skills matrix;

(h) maintain a skills matrix for External Decision Makers;

(i) maintain a skills matrix for the Ombudsperson;

(j) maintain a CEO skills sub-matrix;

(k) develop, maintain and comply with diversity and inclusion policies; and

(l) develop and maintain performance benchmarks for OBSI.

(2) Board committees

OBSI must ensure that:

(a) the governance and human resources committee of the Board is composed entirely of Independent Directors;

(b) other Board committees are composed of a majority of Independent Directors; and

(c) chairs of all Board committees are Independent Directors, unless the Commission otherwise approves.

Conflicts of Interest

4. Subject to applicable legislation, OBSI must identify and avoid real, potential, or perceived conflicts of interest between its own interests, or the interests of its Directors, officers, employees, and External Decision Makers and the public interest.

Approval of changes

5.

(1) Prior Commission approval is required for any changes to the following:

(a) the Terms of Reference, procedural guidelines, or any other procedural rules implemented by OBSI in respect of its role as the identified ombudservice;

(b) By-Laws or any other governing documents;

(c) the corporate governance structure of OBSI;

(d) the charter or mandate of the Board and each of its committees;

(e) the assignment, transfer, delegation, or sub-contracting of the performance of all or part of OBSI functions or responsibilities;

(f) the access criteria and process for Registered Firms to become a member of OBSI;

(g) the loss calculation methodology used by OBSI in delivering an OBSI Recommendation, OBSI Decision or Final OBSI Decision; and

(h) the fee model in determining membership fees for Registered Firms.

(2) Prior Commission approval is required for material changes to the following:

(a) the Board and employee code of conduct and the written policy about managing potential conflicts of interests of Directors, External Decision Makers and employees;

(b) OBSI's training materials for External Decision Makers and employees;

(c) the functions OBSI performs; and

(d) OBSI's organizational structure, including the location of OBSI's offices.

Non-objection to certain changes

6. Prior Commission non-objection is required for the following, as described in Appendix A of the MOU:

(a) nomination of each candidate for an Independent Director position;

(b) appointment of the CEO;

(c) appointment of the Ombudsperson;

(d) changes to the Board's skills matrix;

(e) changes to the External Decision Makers' skills matrix;

(f) changes to the CEO's skills sub-matrix;

(g) changes to the Ombudsperson's skills matrix

(h) changes to OBSI's performance benchmarks; and

(i) changes to OBSI's fee model.

Rules and rule-making

7.

(1) OBSI must establish and maintain rules that are necessary to govern and perform all aspects of its functions and responsibilities as the identified ombudservice.

(2) OBSI must act in accordance with the process for introducing new or amending, revoking or suspending existing by-laws, rules and other materials relevant to OBSI's obligation to operate in the public interest as outlined in Appendix C of the MOU, as amended from time to time. For any proposal to be published for public comment, OBSI must consider and clearly articulate why the proposal is in the public interest.

Fees

8.

(1) OBSI must not charge a fee to a complainant.

(2) All fees imposed by OBSI on Registered Firms must be equitably allocated and be proportionate to Registered Firms' activities.

(3) OBSI's process for setting its fees must be fair and transparent.

(4) OBSI must operate on a cost-recovery basis.

Financial Viability

9. OBSI must have sufficient financial resources for the proper performance of its functions and to meet its responsibilities as the identified ombudservice.

Status

10.

(1) OBSI must operate on a not-for-profit basis.

(2) OBSI must comply with any terms and conditions the Commission may impose in the public interest concerning any transaction that would result in OBSI:

(a) ceasing to perform its functions;

(b) discontinuing, suspending, or winding-up all or a significant portion of its operations;

(c) disposing of all or substantially all of its assets; or

(d) terminating its agreement with an information technology service provider providing technology systems that the Commission determines are critical to the proper performance of OBSI's functions and to meet its responsibilities as the identified ombudservice.

Membership

11.

(1) OBSI must have written criteria, in both English and French, for membership in OBSI and that permits Registered Firms that satisfy the criteria to become members of OBSI.

(2) The membership criteria and process for obtaining membership must be fair and transparent.

Record Keeping

12.

(1) OBSI must keep records of all matters related to its investigation and resolution of complaints for an appropriate time in accordance with legal and industry standards for record retention, including but not limited to:

(a) documentation and records requested and obtained by OBSI during the investigation of a complaint and during the review of an OBSI Recommendation; and

(b) written reasons prepared for the purpose of resolving disputes, specifying the basis for the OBSI Recommendation or OBSI Decision.

Dispute Resolution Process

13.

(1) OBSI must develop, maintain, and apply fair, transparent, and accessible processes to resolve complaints. These processes must be made available to the public.

Performance of OBSI's functions

14.

(1) In investigating and reviewing complaints, OBSI must apply a fairness standard whereby OBSI will consider what would be fair to the parties in all the circumstances of a complaint, taking into account factors including but not limited to the following:

(a) applicable law;

(b) general principles of good financial services and business practice;

(c) regulatory policies and guidance;

(d) professional body standards; and

(e) any relevant code of practice or conduct applicable to the subject matter of the complaint.

(2) OBSI must develop, maintain, and apply knowledge and expertise relevant to providing, independent dispute resolution services to Registered Firms and their clients including but not limited to issues related to the exempt markets. For greater certainty, this includes providing relevant training to its employees and External Decision Makers.

(3) OBSI must share information and cooperate with the Commission, including to facilitate the Commission's effective oversight under the MOU, and provide the Commission with data, reports, documents, and information as the Commission or its staff may request in a format and manner that is acceptable to the Commission or its staff.

(4) Subject to applicable legislation, OBSI must:

(a) collect, use, and disclose personal information only to the extent reasonably necessary to carry out its mandate and activities as an ombudservice; and

(b) protect personal information and confidential business information in its custody or under its control.

(5) OBSI must adopt policies and procedures designed to ensure that confidential information, including personal information, related to its operations, or those of any Registered Firm or complainant, is maintained in confidence and not shared inappropriately with other persons, and must use all reasonable efforts to comply with these policies and procedures.

(6) OBSI must ensure that it is accessible for contact by both the public and the Registered Firms for purposes relating to the performance of its functions in fulfilling its mandate as the identified ombudservice.

(7) OBSI must maintain control over critical systems or technology systems that support OBSI's critical systems.

(8) Documents issued to the public or generally to Registered Firms must be published concurrently in English and French. Where practical, these documents must be written in plain language.

(9) OBSI must promote knowledge of its services, ensure that investors have convenient, well-identified means of access to information regarding its services, and provide its services at no cost to investors who have complaints.

(10) OBSI must, at least annually, self-assess the performance of its functions, and report thereon to its Board, together with any recommendations for improvements.

(11) OBSI must cooperate and assist with any reviews of its functions or operations by the Commission or an independent third party that is acting at the direction of the Commission. The scope of the independent third-party review, and the person or the persons that will undertake the review, will be determined by the Commission and will be at OBSI's expense, including OBSI reimbursing the Commission for any fees, when required.

(12) OBSI must seek the Commission's input on its proposed response to any recommendations arising from a review referred to in subsection (11), including a proposed action plan to implement any recommendations before acting on the recommendations in accordance with timelines established by the Commission.

(13) OBSI must develop, implement, and maintain adequate controls to ensure capacity, integrity requirements, and security of its technology systems.

Reporting Requirements

15. OBSI must comply with the following reporting requirements:

Prior Notification

(1) OBSI will provide the Commission with at least 12 months' written notice prior to completing any transaction that would result in OBSI:

(a) ceasing to perform its functions;

(b) discontinuing, suspending, or winding-up all or a significant portion of its operations; or

(c) disposing of all or substantially all of its assets.

(2) OBSI will provide the Commission with at least three months' written notice prior to:

(a) terminating its agreement with an information technology service provider providing critical technology systems; or

(b) any intended material change to its agreement with an information technology service provider regarding its critical technology systems.

(3) OBSI will provide the Commission with reasonable prior notice of any material changes it intends to implement to its internal procedural guidelines.

(4) OBSI must not implement any material changes to its internal procedural guidelines referred to in subsection 15(3) until the Designating Regulators notify OBSI that they have no questions or comments regarding the implementation of the proposed changes.

(5) OBSI will provide the Commission with reasonable prior notice of any material document that it intends to publish or issue to the public or to any class of members which could have a significant impact on:

(a) its members or others who use its services; or

(b) the capital markets generally including, for greater clarity, particular stakeholders or sectors.

(6) OBSI must not publish or issue any document referred to in subsection 15(5) until the Designating Regulators notify OBSI that they have no questions or comments on the publication or issuance of that document.

Prompt Notification

(7) OBSI will provide the Commission notice, in writing, of any potential systemic issue identified by OBSI within 30 days of OBSI making such a determination, providing sufficient detail about why OBSI considers the matter to be a systemic issue in accordance with the protocol for handling systemic issues, as amended from time to time.

(8) OBSI will provide the Commission with prompt notice of the following events and situations, and in each case describe the circumstances that gave rise to the reportable event or situation, and OBSI's proposed response to ensure resolution, and, if appropriate, provide timely updates:

(a) changes in the members of OBSI's Board and its committees;

(b) situations that would reasonably be expected to raise concerns about OBSI's financial viability, including but not limited to, an inability to meet its expected expenses for the next quarter or the next year;

(c) any determination by OBSI, or notification from any of the Designating Regulators, that OBSI is not or will not be in compliance with one or more of the terms and conditions of its designation in any jurisdiction;

(d) any potential material violations of applicable securities legislation by Registered Firms, and/or rules applicable to investment dealers and mutual fund dealers, of which OBSI becomes aware in the ordinary course operation of its activities;

(e) any material failures in the controls described in section 14 *Performance of OBSI's functions*;

(f) any failure, malfunction, delay or material security incident, including cyber security breaches, of OBSI's critical systems or technology systems that support OBSI's critical systems; and

(g) any breach of security safeguards involving information or data under OBSI's control if it is reasonable in the circumstances to believe that the breach creates a real risk of significant harm to investors, Registered Firms, other market participants, OBSI, or the capital markets.

Quarterly Reporting

(9) OBSI will file on a quarterly basis with the Commission a written report pertaining to OBSI's operations promptly after the report is reviewed or approved by the Board, Board committees, or senior management, as the case may be, containing at a minimum the following information and documents:

(a) summary of ongoing initiatives and emerging or key issues that arose in the previous quarter;

(b) summary statistics for the previous quarter regarding all complaints including, but not limited to:

(i) the nature of the complaints received;

(ii) outcome of the complaints;

(iii) information regarding objections to OBSI Recommendations, including the number of objections, the party who objected and reasons cited for the objection;

(iv) instances in which adversarial processes were used during a review;

(v) the time taken by OBSI to resolve each complaint, including the duration of an investigation and of any review;

(vi) instances of non-compliance with a Final OBSI Decision, if any; and

(vii) instances where a Final OBSI Decision was filed with a superior court of justice for purposes of enforcement.

(c) summary of files, if any, that were referred to any of the Designating Regulators during the previous quarter.

Annual Reporting

(10) OBSI will file on an annual basis with the Commission a written report pertaining to OBSI's operations promptly after it has been reviewed or approved by OBSI's Board, Board committees, or senior management, as the case may be, containing at a minimum the following documents:

(a) the self-assessment referred to in subsection 14(10), which must contain information as specified by staff of the Commission from time to time and include the following information:

(i) an assessment of how OBSI is meeting its mandate, including an assessment against the terms and conditions set out in this document;

(ii) a description of trends OBSI identifies in the course of providing dispute resolution services;

(iii) whether OBSI is meeting its performance benchmarks, and reasons for any benchmarks not being met;

(iv) a complete organizational chart;

(v) a description and update on significant projects undertaken by OBSI;

(vi) a description of issues raised by any of the Designating Regulators, external auditors, or internal audits, which are being tracked by OBSI's senior management, together with a summary of the progress made on their resolution; and

(b) certification by OBSI's CEO and general counsel that OBSI is in compliance with the terms and conditions applicable to it as set out herein.

Financial Reporting

(11) OBSI will file with the Commission unaudited quarterly financial statements, prepared in accordance with Canadian generally accepted accounting principles for not-for-profit organizations, within 60 days after the end of each financial quarter.

(12) OBSI will file with the Commission audited annual financial statements, prepared in accordance with Canadian generally accepted accounting principles for not-for-profit organizations accompanied by the report of an independent auditor, prepared in accordance with Canadian generally accepted auditing standards, within 90 days after the end of each fiscal year.

Other Reporting

(13) On a timely basis, OBSI will provide the Commission with the following information, and documents after publication or completion of review and approval by the Board, Board committees, or senior management, as the case may be:

(a) the results from any reviews referred to in subsection 14(11) in Appendix A of this designation order, if applicable, and a remediation plan or any other relevant documentation;

(b) material changes to the Board and employee code of conduct and the written policy about managing potential conflicts of interests of Directors, External Decision Makers and employees;

(c) the financial budget for the current year, together with the underlying assumptions, that have been approved by the Board;

(d) the reports referred to in subsection 14(13) regarding capacity and integrity of systems;

(e) enterprise risk management reports, and any material changes to enterprise risk management methodology;

(f) the internal audit charter, annual internal audit plan, and internal audit reports;

(g) the annual report for the current year; and

(h) material changes to the dispute resolution processes or scope of work, including departmental risk assessment models.

(14) OBSI will, upon request and as soon as practicable, provide the Commission with information concerning closed complaints.

Draft published for consultation purposes. Legislative amendments are required to enable the proposed framework, including the oversight framework.

Many CSA jurisdictions will require legislative amendments to enable the proposed framework, including the oversight framework. Any amendments to local acts would be proposed by governments. Proposed legislative amendments would only become law in a CSA jurisdiction if they are proclaimed and in force in that jurisdiction. Nothing in this document should be considered as an indication of whether such legislative amendments will be made in any jurisdiction.

ANNEX B

MEMORANDUM OF UNDERSTANDING REGARDING
OVERSIGHT OF
THE OMBUDSMAN FOR BANKING SERVICES AND INVESTMENTS (OBSI)
AS THE IDENTIFIED OMBUDSERVICE FOR PURPOSES OF
DIVISION 5 OF PART 13 UNDER NATIONAL INSTRUMENT 31-103 REGISTRATION REQUIREMENTS, EXEMPTIONS AND ONGOING REGISTRANT OBLIGATIONS
(National Instrument 31-103)

AMONG:

ALBERTA SECURITIES COMMISSION
MANITOBA SECURITIES COMMISSION
FINANCIAL AND CONSUMER SERVICES COMMISSION OF NEW BRUNSWICK
OFFICE OF THE SUPERINTENDENT OF SECURITIES, DIGITAL GOVERNMENT AND SERVICE NEWFOUNDLAND AND LABRADOR
OFFICE OF THE SUPERINTENDENT OF SECURITIES, NORTHWEST TERRITORIES
NOVA SCOTIA SECURITIES COMMISSION
OFFICE OF THE SUPERINTENDENT OF SECURITIES, NUNAVUT
ONTARIO SECURITIES COMMISSION
OFFICE OF THE SUPERINTENDENT OF SECURITIES, PRINCE EDWARD ISLAND
FINANCIAL AND CONSUMER AFFAIRS AUTHORITY OF SASKATCHEWAN
OFFICE OF THE YUKON SUPERINTENDENT OF SECURITIES
(each a Designating Regulator, collectively the Designating Regulators)

AND

AUTORITÉ DES MARCHÉS FINANCIERS
(each a Party, collectively the Parties)

This memorandum of understanding (**MOU**) replaces the amended and restated Memorandum of Understanding dated December 1, 2015 among the Designating Regulators and OBSI.

The Parties agree as follows:

1. Underlying Principles

a. Designation or Recognition

OBSI is designated or recognized as the identified ombudservice under applicable securities legislation and subject to terms and conditions by each of the Designating Regulators.

b. Oversight Program

To facilitate effective oversight of OBSI's functions, the Parties to this MOU have developed an oversight program (**Oversight Program**) with respect to OBSI which includes the following:

(i) establishment of the OBSI Oversight Committee, as set out in section 3;

(ii) review of information filed by OBSI, as set out in section 4;

(iii) non-objection process for matters other than rule review, as set out in section 5;

(iv) oversight activities of OBSI, as set out in section 6; and

(v) review of By-Laws and Rules of OBSI, as set out in section 7.

The purpose of the Oversight Program is to ensure that OBSI is acting in accordance with its public interest mandate and is complying with the terms and conditions of OBSI's designation or recognition as the identified ombudservice by the Designating Regulators.

c. Oversight Program Guiding Principles

The guiding principles for the Designating Regulators' joint oversight of OBSI through the OBSI Oversight Committee are:

(i) Harmonious direction – the Designating Regulators will strive to speak as one when giving direction to OBSI;

(ii) Transparency – each Designating Regulator will proactively share with other Designating Regulators important communications with OBSI in a timely manner; and

(iii) Efficiency – each Designating Regulator will strive to conduct oversight in an effective manner while attempting to minimize the resources required from other Designating Regulators and OBSI.

d. Coordination with Non-Designating Regulators

In respect of oversight of OBSI, the Designating Regulators will coordinate with any Canadian securities regulatory authority that has not designated or recognized OBSI as the identified ombudservice under National Instrument 31-103 (**Non-Designating Regulators**).

2. Definitions

Unless otherwise defined or interpreted in this MOU, every term used in this MOU that is defined in section 13.16.01 of National Instrument 31-103 has the meaning ascribed to it in that section.

"Board" has the meaning ascribed to that term in the OBSI Designation Order.

"Co-ordinating Regulator" means the Designating Regulator that is designated as such from time to time by consensus of all the Designating Regulators.

"External Decision Maker" has the meaning ascribed to that term in the OBSI Designation Order.

"Independent Director" has the meaning ascribed to that term in the OBSI Designation Order.

"OBSI Designation Order" means an order issued by each Designating Regulator pursuant to its securities legislation designating or recognizing OBSI as the identified ombudservice for the purposes of Division 5 of Part 13 of National Instrument 31-103.

"Ombudsperson" has the meaning ascribed to that term in the OBSI Designation Order.

"Registered Firm" means all registered firms to which Division 5 of NI 31-103 is applicable.

"Reviewing Regulator" means a Designating Regulator that is participating in an oversight review of OBSI.

"Rule" means any terms of reference, by-law, rule, form, policy, procedure, methodology, protocol or other similar instrument of OBSI, but excludes internal procedural guidelines.

"Rule Change" means a new Rule, or an amendment, a revocation or a suspension of an existing Rule.

3. General Provisions

a. OBSI Oversight Committee

The OBSI Oversight Committee will act as a forum and venue for the discussion of issues, concerns and proposals related to the Designating Regulators' oversight of OBSI.

Each of the Designating Regulators shall designate from time-to-time representatives to serve on the OBSI Oversight Committee.

b. Co-ordinating Regulator

The Co-ordinating Regulator is tasked with the role of coordinating, communicating and scheduling activities of and relating to the OBSI Oversight Committee. The Co-ordinating Regulator is responsible for administrative matters relating to the OBSI Oversight Committee, including taking minutes at meetings.

The Co-ordinating Regulator must not make any unilateral decision respecting, or give unilateral direction to, OBSI on behalf of the OBSI Oversight Committee.

c. OBSI Oversight Committee Reporting

The OBSI Oversight Committee will provide to the Chief Executives of the Designating Regulators an annual written report that will include a summary of all oversight activities conducted during the previous period (**Annual Report on Oversight Activities**).

The Annual Report on Oversight Activities will also be published promptly after delivery to the Chief Executives of the Designating Regulators.

d. Communication with OBSI

Except with respect to discussing local matters with OBSI, the Designating Regulators will communicate with OBSI through the OBSI Oversight Committee for the purposes of matters arising under this MOU or relating to the Oversight Program in general. The Designating Regulators must not make any unilateral decision, or give unilateral direction, with respect to the oversight or operations of OBSI.

e. Status Meetings

The Co-ordinating Regulator will organize at least one meeting of the OBSI Oversight Committee each quarter, to which interested parties (such as staff of a Non-Designating Regulator, OBSI, or a self-regulatory organization) may be invited to share their expertise and participate on an as-needed basis.

In addition, the Co-ordinating Regulator will organize at least one meeting of the OBSI Oversight Committee with the Board of Directors of OBSI, annually. The purpose of the annual meeting with the Board is to discuss matters relating to the Oversight Program and other matters that are of mutual interest to the Designating Regulators and OBSI. Additional ad hoc meetings may also be scheduled to facilitate discussion with interested parties.

The Co-ordinating Regulator will provide OBSI with key staff contacts from each Designating Regulator for the purposes of matters arising under this MOU or relating to the general oversight of OBSI.

4. Review of Information Filed

Meetings of the OBSI Oversight Committee will be the primary venue through which the Designating Regulators will consider and discuss information filed by OBSI pursuant to the Oversight Program.

Outside of an OBSI Oversight Committee meeting, any comments of the staff of the Designating Regulators on information filed by OBSI will be sent to the Co-ordinating Regulator, with a copy to all members of the OBSI Oversight Committee. The Co-ordinating Regulator will then request that OBSI respond to comments raised by the Designating Regulators and copy staff of the other Designating Regulators on its response.

5. Non-Objection Process

The Designating Regulators have developed a non-objection process, as set out in Appendix A.

6. Oversight Reviews

The Designating Regulators have developed procedures for performing periodic reviews of OBSI's functions, as set out in Appendix B.

7. Oversight Activities

The OBSI Oversight Committee will, from time to time, establish priority plans and activities (**Oversight Activities**) pursuant to the Oversight Program. Oversight Activities must be informed by the OBSI Designation Order, strategic priorities and action plans developed by OBSI, as well as any other criteria deemed appropriate by the Designating Regulators.

Oversight Activities shall not override any terms and conditions included in OBSI Designation Orders.

Oversight Activities may include the development of additional one-time or recurring practices or protocols applicable to OBSI, including reporting protocols for the purpose of addressing systemic issues as they emerge.

The Designating Regulators, in their discretion, may also engage in an examination and review of OBSI. Should the Designating Regulators proceed with an examination and review of OBSI, the Designating Regulators may develop, maintain and apply a protocol and practice for review of OBSI recommendations and decisions to assess OBSI's functions. In assessing OBSI's functions, the Designating Regulators may assess a number of factors, including whether

a) OBSI applies a standard of what is fair to the parties in all the circumstances of the case,

b) OBSI's interpretations of securities law requirements, including rules, and regulatory guidance, conflict with regulatory expectations,

c) OBSI applies only inquisitorial processes in the investigation and recommendation stage, and

d) OBSI applies the essential process test in a way that maintains fairness and accessibility to its services and efficiency for parties.

Such a protocol may include sampling of OBSI recommendations and decisions once the OBSI dispute resolution process has concluded in order to assess such items identified in the protocol established by the Designating Regulators. Any such assessment will note observations and patterns identified in the course of the review. The findings of an examination and review of OBSI's functions will have no bearing on the outcome of cases and will not constitute an appeal of the findings or process.

Oversight Activities will also include directing OBSI to undertake independent third-party evaluations of its operations, in accordance with OBSI Designation Orders, pursuant to a schedule developed by the Designating Regulators. At minimum, independent third-party evaluations could be required once every three years.

Pursuant to Oversight Activities, the Designating Regulators may develop procedures for performing periodic reviews of OBSI's functions (pursuant to the terms and conditions of the OBSI Designation Order) which for greater clarity may include reviews relating to specific investment complaint cases considered by OBSI to ensure regulatory expectations are met. For example, this may include the sampling of OBSI recommendations and decisions to identify any relevant trends and patterns.

8. Review of Rules

The Designating Regulators have developed a joint review and decision protocol (**Protocol**) for coordinating the review and approval of, or non-objection to, a Rule of OBSI, as set out in Appendix C.

9. Information Sharing and Confidentiality

(a) Without limiting the transparency guiding principle in section 1(c) and the Parties' agreement to facilitate the Oversight Program through the OBSI Oversight Committee, or any information sharing agreements to which a Party or OBSI is a party, each Party will share with the other Parties, and authorize OBSI to share on a timely basis with the other Parties in circumstances where the other Parties may be significantly impacted:

(i) directives from a Party to OBSI, and

(ii) other information or data communicated between the Party and OBSI,

excluding circumstances where a Party is obligated to maintain confidentiality from other parties, including where personal information is concerned.

(b) All notices, reports, documents and any other information or data shared amongst any of the Parties pursuant to this MOU are shared exclusively for the regulatory purposes of the Parties, and with the expectation that they be shared and maintained in confidence, except as may otherwise be required by applicable law. Necessary and appropriate safeguards should be maintained to protect the confidentiality of documents. If any Party is required to disclose or provide access to such information or data provided by another Party, the recipient Party should assert all appropriate legal exemptions or privileges with respect to such information or data as may be available, and notify and obtain the written consent of the other Party, where permissible, prior to complying with such a requirement.

10. Authority

Nothing in this MOU is intended to limit the powers of any of the Parties under applicable securities legislation to take any measures authorized or required under such legislation.

11. Appendices

The MOU represents the Parties' commitment to a coordinated and cooperative approach to conducting the Oversight Program, and the appendices are integral to the execution of this commitment.

12. Amendments to and Withdrawal from this MOU

This MOU may be amended from time to time, as mutually agreed upon by the Parties. Any amendments must be in writing and approved by the duly authorized representatives of each Designating Regulator in accordance with the applicable legislation of each province or territory.

This MOU may be terminated if mutually agreed upon by the Parties.

Each Party can, at any time, withdraw from this MOU on at least 90 days' written notice to the Co-ordinating Regulator and to each of the Parties.

13. Effective Date

This MOU will come into effect on the date that the Designating Regulators designate or recognize OBSI as the independent ombudservice.

IN WITNESS WHEREOF the duly authorized signatories of the parties below have signed this MOU.

[Name of Designating Regulator

Per: "individual X"

Title: Chair and Chief Executive Officer

Date: XXX]

APPENDIX A

NON-OBJECTION PROCESS

1. Purposes of non-objection process

The Designating Regulators agree and hereby adopt a non-objection process for the following purposes:

(a) nomination of each candidate for an Independent Director position;

(b) appointment of the Chief Executive Officer (**CEO**);

(c) appointment of the Ombudsperson;

(d) changes to the Board's skills matrix;

(e) changes to the External Decision Makers' skills matrix;

(f) changes to the CEO's skills sub-matrix;

(g) changes to OBSI's performance benchmarks; and

(h) changes to the OBSI fee model.

2. Non-objection criteria

Without limiting the discretion of each Designating Regulator, the Designating Regulators agree to consider these factors when following the non-objection process:

(a) whether the proposed action subject to the non-objection process is in the public interest;

(b) whether OBSI has provided sufficient analysis; and

(c) whether there are conflicts with applicable laws or the terms and conditions of OBSI's designation or recognition.

3. Required filings

(a) **Language requirements.** OBSI will file the information required under this section concurrently in both English and French.

(b) **Filings.** OBSI will file the following information with staff of the Designating Regulators on the OBSI Oversight Committee, and upon request by any Designating Regulator, any other document or information:

(i) under subsection 1(a):

(A) documentation including the analysis undertaken to confirm that the candidate satisfies the definition of an Independent Director as defined in the OBSI Designation Order.

(ii) under subsections 1(b) and (c):

(A) documentation including the analysis undertaken to support the selection of the CEO and Ombudsperson;

(B) confirmation that the Board has concluded that the CEO and Ombudsperson nominee is suitable for the respective offices; and

(C) completed CEO skills sub-matrix.

(iii) under subsection 1(d):

(A) Board skills matrices reflecting proposed changes, including rationale.

(iv) under subsection 1(e):

(A) External Decision Makers' skills matrices reflecting proposed changes, including rationale.

(v) under subsection 1(f):

(A) CEO skills sub-matrix reflecting proposed changes, including rationale.

(vi) under subsection 1(g):

(A) memorandum and supporting information used by OBSI to inform its decision.

4. Non-Objection Process

(a) **Confirming receipt.** Upon receipt of the materials filed under subsection 3(b), staff of the Co-ordinating Regulator will, as soon as practicable, send written confirmation of receipt to OBSI, with a copy to staff of the other Designating Regulators.

(b) **Designating Regulator review.** Staff of each Designating Regulator will provide any comments in writing to staff of the other Designating Regulators within 10 business days of receiving the materials filed under subsection 3(b), or as otherwise agreed upon by staff of the Designating Regulators (for example, Designating Regulators may agree to provide comments for referral to OBSI through the venue of an OBSI Oversight Committee meeting). The process to provide comments and obtain responses from OBSI will be established and agreed upon by staff of the Designating Regulators. If no comments are provided by staff of a Designating Regulator within the prescribed period, then that Designating Regulator will be deemed not to object.

(c) **Intention to object.** After completing the comment process provided under subsection 4(b) above, if all Designating Regulators do not intend to object, staff of the Co-ordinating Regulator will send a written notice of non-objection to OBSI and will copy staff of all Designating Regulators. If staff of any Designating Regulator intends to recommend that the Designating Regulator object, the Designating Regulators will use best efforts to adhere to the following:

(i) within a reasonable timeline agreed upon by staff of the Designating Regulators, staff of any Designating Regulator who intends to make a recommendation that the Designating Regulator objects will advise staff of the other Designating Regulators, in writing (as applicable), of their intended recommendation and provide reasons for it;

(ii) within 5 business days of receiving or sending a notice of intended recommendation, staff of the Co-ordinating Regulator will convene a conference call with staff of the other Designating Regulators and, as applicable, OBSI;

(iii) if the intended recommendation still exists after any such discussion, staff of the applicable Designating Regulators will, within a reasonable timeline agreed upon by staff of the Designating Regulators recommend to their respective decision makers that they object;

(iv) if the decision maker of any Designating Regulator intends to object, the Co-ordinating Regulator will provide written notification to OBSI with reasons for the intended objection and copy staff of the other Designating Regulators, and will give OBSI an opportunity to present written submissions;

(v) after considering the written submissions provided by OBSI, if any of the Designating Regulators still intends to object, then the Designating Regulators shall use the process provided under section 12 of Appendix C of this MOU, but not including the process described at section 13, with necessary adaptations;

(vi) if any Designating Regulator objects after having completed the process described in paragraph 4(c)(v), it will provide promptly a written confirmation of objection to staff of the other Designating Regulators. Staff of the Co-ordinating Regulator will then provide to OBSI a written notice of objection and will copy staff of the other Designating Regulators; and

(vii) if after completing the process described in paragraph 4(c)(v), Designating Regulators that intended to object as described in paragraph 4(c)(iv) do not object, they will provide promptly a written non-objection confirmation to staff of the other Designating Regulators. Designating Regulators that did not intend to object will be deemed not to object. Staff of the Co-ordinating Regulator will then send a written notice of non-objection to OBSI and will copy staff of the other Designating Regulators.

APPENDIX B

OVERSIGHT REVIEWS

The Designating Regulators (**DR**s) will carry out periodic coordinated oversight reviews of OBSI for the purposes of: (i) evaluating whether selected processes are effective, efficient, and are applied consistently and fairly; and (ii) assessing compliance with the terms and conditions of designation or recognition.

A DR may choose to participate in a review of OBSI, or may choose to rely on another DR for the review of OBSI.

The scope of the review will be determined by utilizing a risk-based methodology established and agreed upon by staff of the DRs.

When conducting a coordinated review, the Reviewing Regulators will use best efforts to adhere to the following within any timelines established among themselves:

1) The Reviewing Regulators will establish and agree on a work plan for the coordinated review that sets the target completion date for each step, including conducting the review, reviewing draft reports, confirming factual accuracy, translating and publishing the final report, and follow-up plans.

2) The Reviewing Regulators will develop and use a uniform review program and uniform performance benchmarks to conduct the coordinated review and will ensure the review is appropriately staffed in their respective jurisdiction.

3) The Co-ordinating Regulator will, as needed, arrange for communication among the Reviewing Regulators during the course of a review, to discuss the progress of the work completed and to ensure appropriate consistency in the Reviewing Regulators' approach.

4) Each Reviewing Regulator will share with all other Reviewing Regulators the results of its review, including draft findings and, upon request, supporting materials.

5) Unless otherwise agreed upon, the Co-ordinating Regulator will draft a review report and share it among the Reviewing Regulators to ensure it meets all of their expectations and requirements, as applicable. The review report will:

    a. take into account the draft findings and comments of the Reviewing Regulators, and

    b. use a common set of criteria to rate the significance and urgency of findings.

6) If the Reviewing Regulators disagree on the content of the draft review report, the Reviewing Regulators will follow the process provided in section 12 of Appendix C of this MOU for resolution.

7) After the Reviewing Regulators are mutually satisfied with the draft review report, the Co-ordinating Regulator will forward the draft review report to OBSI to confirm factual accuracy.

8) OBSI will review the draft review report for factual accuracy and respond to the Reviewing Regulators with comments.

9) The Reviewing Regulators will consider OBSI’s comments and revise the review report as necessary.

10) The Co-ordinating Regulator will send the revised review report to OBSI for its formal response.

11) On receipt of OBSI's formal response, the Reviewing Regulators will incorporate such formal response and any follow-up plans into the review report as applicable.

12) Each Reviewing Regulator will seek the necessary internal approval to publish the final review report, taking into account language translation needs where applicable.

13) When each Reviewing Regulator has obtained the necessary internal approvals, the Co-ordinating Regulator will, and the other Reviewing Regulators may, publish the final review report.

APPENDIX C

JOINT REVIEW AND DECISION PROTOCOL

1. Scope and purpose

The Designating Regulators have entered into this Protocol to establish uniform procedures for their review of and decision-making about Rule Changes proposed by OBSI.

Any review of a new by-law, amendment to an existing by-law or revocation of an existing by-law proposed by OBSI will follow the process for review of and decision-making about Rule Changes set out in this Protocol, with the necessary adaptations.

2. Classifying Rule Changes

(a) **Classification.** OBSI will classify each proposed Rule Change as either "housekeeping" or "public comment".

(b) **Housekeeping Rule Changes.** A "housekeeping" Rule Change is a Rule Change that has no material impact on complainants, Registered Firms, OBSI, or the Canadian capital markets generally.

(c) **Public comment Rule Changes.** A "public comment" Rule Change is any Rule Change that is not a housekeeping Rule Change.

(d) **Designating Regulators' disagreement with classification.** If staff of a Designating Regulator thinks that OBSI incorrectly classified a proposed Rule Change as housekeeping, the Designating Regulators and OBSI will use best efforts to adhere to the following:

(i) Within 10 business days of the date of OBSI's filing under section 3, staff of the Designating Regulator who intends to disagree with the classification will advise staff of the other Designating Regulators, in writing, that they intend to disagree and provide reasons for its intended disagreement.

(ii) Within 3 business days of receiving or sending a notice of disagreement, staff of the Co-ordinating Regulator will discuss the classification, and may arrange a conference call, with staff of the other Designating Regulators and, as applicable, OBSI.

(iii) If disagreement with the classification still exists after any such discussion, staff of the Co-ordinating Regulator will notify OBSI of the disagreement, in writing, with a copy to staff of the other Designating Regulators within 15 business days of the date of OBSI's filing.

(iv) If staff of the Co-ordinating Regulator send a notice of disagreement to OBSI under paragraph 2(d)(iii), OBSI will reclassify the proposed Rule Change as a public comment Rule Change or withdraw the proposed Rule Change by filing a written notice with staff of the Designating Regulators indicating that it will be withdrawing the Rule Change.

(v) If OBSI does not receive any such notice of disagreement within 15 business days of the date of OBSI's filing, OBSI will assume that staff of the Designating Regulators agree with the classification.

3. Required filings

(a) **Language requirements.** OBSI will file the information required under this section concurrently in both English and French, accompanied with an attestation from a certified translator.

(b) **Filings for housekeeping Rule Changes.** OBSI will file the following information with staff of the Designating Regulators for each proposed housekeeping Rule Change:

(i) a cover letter that indicates the classification of the proposed Rule Change,

(ii) the Board resolution, if applicable, including the date that the proposed Rule Change was approved and a statement that the Board has determined that the proposed Rule Change is in the public interest,

(iii) the text of the proposed Rule Change and, where applicable, a blacklined version showing the changes to an existing Rule,

(iv) confirmation that OBSI followed its established internal governance practices in approving the proposed Rule Change and considered the need for consequential amendments,

(v) a statement as to whether the proposed Rule Change conflicts with applicable laws or the terms and conditions of the OBSI Designation Order, and

(vi) a notice for publication including:

(A) a brief description of the proposed Rule Change,

(B) the reasons for the housekeeping classification, and

(C) the anticipated effective date of the proposed Rule Change.

(c) **Filings for public comment Rule Changes.** OBSI will file the following information and data with staff of the Designating Regulators for each proposed public comment Rule Change:

(i) a cover letter that indicates the classification of the proposed Rule Change,

(ii) the Board resolution (if applicable), including the date that the proposed Rule Change was approved, and a reasonable explanation of why the Board has determined that the proposed Rule Change is in the public interest,

(iii) the text of the proposed Rule Change, and, where applicable, a blacklined version showing the changes to an existing Rule,

(iv) the items in subparagraphs 3(b)(v) and (vi), and

(v) a notice for publication including:

(A) Information that must be included:

a. a concise statement, together with supporting analysis, of the nature, purpose and effect of the proposed Rule Change,

b. an explanation as to how OBSI has taken the public interest into account when developing the Rule Change, why the proposed Rule Change is in the public interest, and the anticipated effects of the proposed Rule Change on investors and registrants, OBSI, and the Canadian capital markets.

c. a description of the Rule Change,

d. a description of the Rule-making process, including the context in which OBSI developed the proposed Rule Change, the process followed and the consultation process undertaken, including applicable stakeholder engagements, when developing the Rule Change,

e. the anticipated effective date of the proposed Rule Change, and

f. a request for public comment together with details on how to submit comments within the stated comment period deadline, and a statement that OBSI will publish all comments received during the comment period on its public website.

(B) Information that must be included, if relevant:

a. where the proposed Rule Change requires registrants or OBSI to make technological systems changes, a description of the implications of the proposed Rule Change and, where possible, a discussion of material implementation issues and plans,

b. any issues considered and any alternative approaches considered, including the reasons for rejecting those alternative approaches, and

c. a reference to other jurisdictions including an indication as to whether another ombudservice has a comparable requirement or is contemplating making a comparable requirement and, if applicable, a comparison of the proposed Rule Change to the requirement of the other jurisdiction.

4. Review criteria

Without limiting the discretion of the Designating Regulators, the Designating Regulators agree that the following are factors that staff of the Designating Regulators should consider when reviewing proposed Rule Changes:

(a) whether a proposed Rule Change is in the public interest,

(b) whether OBSI has provided sufficient analysis of the nature, purpose and effect of a proposed Rule Change, and

(c) whether the proposed Rule Change conflicts with applicable laws or is consistent with the terms and conditions of the OBSI Designation Order.

5. Review and approval process for housekeeping Rule Changes

(a) **Confirming receipt.** Upon receipt of the materials filed under subsection 3(b), staff of the Co-ordinating Regulator will, as soon as practicable, send written confirmation of receipt of the proposed housekeeping Rule Change to OBSI, with a copy to staff of the other Designating Regulators.

(b) **Approval.** Except where a notice of disagreement has been sent to OBSI in accordance with paragraph 2(d)(iii), the proposed Rule Change will be deemed approved or non-objected to on the eleventh business day following the date of OBSI's filing under section 3.

6. Review process for public comment Rule Changes

(a) **Confirming receipt.** Upon receipt of the materials filed under subsection 3(c), staff of the Co-ordinating Regulator will, as soon as practicable, send written confirmation of receipt of the proposed public comment Rule Change to OBSI, with a copy to staff of the other Designating Regulators.

(b) **Publication and public comment period.** As soon as practicable, staff of the Co-ordinating Regulator and OBSI will, and staff of the other Designating Regulators may:

(i) coordinate a publication date among themselves, and

(ii) publish on their respective public websites or bulletin the materials referred to in paragraphs 3(c)(iii) and (v) for the comment period recommended by OBSI, commencing on the date the proposed public comment Rule Change appears on the public website or in the bulletin of the Co-ordinating Regulator.

(c) **Publishing and responding to public comments.** Within 3 business days of the end of the subsection 6(b) comment period, OBSI will publish any public comments on its public website, if it has not already done so. OBSI will also prepare a summary of public comments and responses to those public comments, if any, and send them to staff of the Designating Regulators within any timelines established by staff of the Designating Regulators.

(d) **Designating Regulator review.** After the subsection 6(b) comment period has ended, and, if applicable, OBSI has provided the summary and responses required by subsection 6(c), staff of the Designating Regulators will, in writing, provide any significant comments to staff of the other Designating Regulators within any timelines established among themselves.

(e) **Designating Regulators have no comments.** If staff of the Co-ordinating Regulator do not receive and do not have any significant comments within the period provided for under subsection 6(d), staff of the Designating Regulators will be deemed not to have any comments and proceed immediately to the approval or non-objection process in section 8.

(f) **Designating Regulators have comments.** If staff of the Co-ordinating Regulator receive or have significant comments within the period provided for under subsection 6(d), staff of the Designating Regulators and, as applicable, OBSI will use best efforts to adhere to the following process using timelines established among themselves:

(i) After the end of the period provided for under subsection 6(d), staff of the Co-ordinating Regulator will prepare and send to staff of the other Designating Regulators a draft comment letter that incorporates their own significant comments and the significant comments raised by staff of the other Designating Regulators and may, if deemed necessary, identify different views among staff of the Designating Regulators.

(ii) Staff of the Designating Regulators will provide any significant comments on the draft comment letter, in writing, to staff of the Co-ordinating Regulator and the other Designating Regulators; and if staff of the Co-ordinating Regulator do not receive any such comments within the timelines agreed upon, staff of the other Designating Regulators will be deemed not to have any comments.

(iii) Following the other Designating Regulators' response (or deemed response), staff of the Co-ordinating Regulator will consolidate all comments received and, when finalized to the satisfaction of staff of the Designating Regulators, send the comment letter to OBSI, with a copy to staff of the other Designating Regulators.

(iv) OBSI will respond, in writing, to the comment letter sent by staff of the Co-ordinating Regulator, with a copy to staff of the other Designating Regulators.

(v) After receiving OBSI's response, staff of the Designating Regulators will provide any significant comments, in writing, to staff of the other Designating Regulators; if staff of the Co-ordinating Regulator do not receive and do not have any such comments within the timelines agreed upon, staff of the Designating Regulators will:

(A) be deemed not to have any comments, and

(B) proceed immediately to the approval or non-objection process in section 8.

(vi) Staff of the Designating Regulators and, as applicable, OBSI will follow the process in paragraphs 6(f)(i) to (v) when staff of the Designating Regulators have significant comments on OBSI's response to any comment letter.

(vii) Staff of the Co-ordinating Regulator will attempt to resolve any issues that staff of the Designating Regulators have raised on a timely basis and will consult with staff of the other Designating Regulators or OBSI, as needed.

(viii) If staff of the Designating Regulators disagree about the substantive content of the comment letter in paragraph 6(f)(i) or whether to recommend approval of or non-objection to the Rule Change, staff of the Co-ordinating Regulator will invoke section 12.

(ix) If OBSI fails to respond to comments of staff of the Designating Regulators within 120 days of receipt of the most recent comment letter from staff of the Designating Regulators (or such other time agreed upon by staff of the Designating Regulators), OBSI may withdraw the Rule Change in accordance with section 13 or staff of the Designating Regulators will, if they agree among themselves to do so in writing, recommend that their respective decision makers object to or not approve the Rule Change.

7. Revising and republishing public comment Rule Changes

(a) **Language requirements**. If, subsequent to its publication for comment, OBSI revises a public comment Rule Change, OBSI will file any such revision, which will include, as applicable, a blacklined version to the original published version, a blacklined version to the existing Rule, and the text of the revised Rule Change concurrently in both English and French, accompanied with an attestation from a certified translator.

(b) **Revising Rule Changes.** If such a revision changes the Rule Change's substance or effect in a material way, staff of the Co-ordinating Regulator may, in consultation with OBSI and staff of the other Designating Regulators, require the revised Rule Change to be republished for an additional comment period. Upon republication, the previously published Rule Change will be superseded.

(c) **Published documents.** If a public comment Rule Change is republished, the revised request for comments will include, as applicable, the information filed under subsection 7(a), the date of Board approval (if different from the original published version), OBSI's summary of public comments received and responses for the previous request for comments, together with an explanation of the revisions to the Rule Change and the supporting rationale for the revisions, including why the revisions are in the public interest.

(d) **Applicable provisions.** Any republished public comment Rule Change will be subject to all provisions in this Protocol applicable to public comment Rule Changes, except where otherwise provided for in this Protocol.

8. Approval process for public comment Rule Changes

(a) **Co-ordinating Regulator seeks approval.** Staff of the Co-ordinating Regulator will use their best efforts to seek approval of or non-objection to the Rule Change within 30 business days of the end of the review process set out in section 6.

(b) **Co-ordinating Regulator circulates documents**. After the Co-ordinating Regulator make a decision about a Rule Change, staff of the Co-ordinating Regulator will promptly circulate to staff of the other Designating Regulators applicable documentation relating to the Co-ordinating Regulators' decision.

(c) **Other DRs seek approval.** Staff of the other Designating Regulators will use their best efforts to seek approval or non-objection within 30 business days of receipt of applicable documentation from staff of the Co-ordinating Regulator.

(d) **Other DRs communicate decision to Co-ordinating Regulator.** Staff of each Designating Regulator will promptly inform staff of the Co-ordinating Regulator in writing after a decision about the Rule Change has been made.

(e) **Co-ordinating Regulator communicates decision to OBSI.** Staff of the Co-ordinating Regulator will promptly communicate to OBSI, in writing, the decision about the Rule Change, including any conditions, upon receipt of notification of the other Designating Regulators' decisions.

9. Effective date of Rule Changes

(a) **Public comment Rule Changes.** Public comment Rule Changes (other than Rule Changes implemented under section 11) will be effective on the later of:

(i) the date the Co-ordinating Regulator publish the notice of approval or non-objection in accordance with subsection 10(a), and

(ii) the date designated by OBSI under subparagraph 3(c)(v)(A) or the date as determined by OBSI.

(b) **Housekeeping Rule Changes.** Housekeeping Rule Changes will be effective on the later of:

(i) the date of deemed approval or non-objection in accordance with subsection 5(b), and

(ii) the date designated by OBSI under subparagraph 3(b)(vii)(C).

(c) **Revisions to the effective date of a Rule Change.** OBSI will advise staff of the Designating Regulators in writing if it has not made a Rule Change effective by the date designated by OBSI under subsection 9(a), and will include the following information:

(i) the reasons it has not yet made the Rule Change effective,

(ii) OBSI's projected timeline for making the Rule Change effective, and

(iii) the impact on the public interest of not making the Rule Change effective by the date designated by OBSI under subsection 9(a).

10. Publishing notice of approval

(a) **Public comment Rule Changes.** For any public comment Rule Change, staff of the Co-ordinating Regulator and OBSI will both publish a notice of approval of or non-objection on their respective public websites, together with:

(i) if applicable, OBSI's summary of comments received and responses,

(ii) if changes were made to the version published for public comment, a blacklined version of the revised Rule Change compared to the previously published public comment Rule Change, and

(iii) if requested, a blacklined version to the existing Rule.

(b) **Housekeeping Rule Changes.** For any housekeeping Rule Change, staff of the Co-ordinating Regulator will prepare a notice of deemed approval or non-objection, and both the Co-ordinating Regulator and OBSI will publish the notice, together with the materials referred to in paragraphs 3(b)(iii) and (vii), on their respective public websites.

(c) **Publication by other Designating Regulators**. Any other Designating Regulators may publish notices of approval at their own discretion.

11. Immediate implementation

(a) **Criteria for immediate implementation.** If OBSI identifies an urgent need to implement a proposed public comment Rule Change because of a substantial risk of material harm to investors and Registered Firms, OBSI, or the Canadian capital markets generally, OBSI may make the proposed public comment Rule Change effective immediately, subject to subsection 11(d), and provided that:

(i) OBSI provides staff of each Designating Regulator with written notice of its intention to rely upon this procedure at least 10 business days before the Board considers the proposed public comment Rule Change for approval, and

(ii) OBSI's written notice in paragraph 11(a)(i) includes:

(A) the date on which OBSI intends the proposed public comment Rule Change to be effective, and

(B) an analysis in support of the need for immediate implementation of the proposed public comment Rule Change.

(b) **Notice of disagreement**. If staff of a Designating Regulator does not agree that immediate implementation is necessary, staff of the Designating Regulators and, as applicable, OBSI, will use best efforts to adhere to the following:

(i) Staff of each Designating Regulator which disagrees with the need for immediate implementation will, within five business days after OBSI provides notice under subsection 11(a), advise staff of the other Designating Regulators in writing that they disagree and provide the reasons for its disagreement.

(ii) Staff of the Co-ordinating Regulator will promptly notify OBSI in writing of the disagreement.

(iii) Staff of the Designating Regulators and OBSI will discuss and attempt to resolve any concerns raised on a timely basis but, if the concerns are not resolved to the satisfaction of staff of all Designating Regulators, OBSI cannot immediately implement the proposed public comment Rule Change.

(c) **Notice of no disagreement.** Where there is no notice of disagreement under and within the timelines set out in paragraph 11(b)(i), or where concerns have been resolved under paragraph 11(b)(iii), staff of the Co-ordinating Regulator will immediately provide written notice of no disagreement to OBSI, with a copy to staff of the other Designating Regulators, indicating that it may now seek Board approval to immediately implement the proposed public comment Rule Change.

(d) **Effective date.** Proposed public comment Rule Changes that OBSI immediately implements in accordance with section 11 will be effective on the later of the following:

(i) the date the Board approves the Rule Change, and

(ii) the date designated by OBSI in its written notice to staff of the Designating Regulators.

(e) **Subsequent review of Rule Change.** A public comment Rule Change that is implemented immediately will subsequently be published, reviewed, and approved or non-objected to in accordance with the applicable provisions of this Protocol.

(f) **Subsequent disapproval of Rule Change**. If the Designating Regulators subsequently object to or do not approve a public comment Rule Change that OBSI immediately implemented, OBSI will promptly repeal the public comment Rule Change and inform Registered Firms of the Designating Regulators' decision.

12. Disagreements

If any disagreement, either among the Designating Regulators or between the Designating Regulators and OBSI, about a matter arising out of or relating to this Protocol cannot be resolved through staff discussions, staff of the Designating Regulators will use best efforts to adhere to the following using timelines established among themselves:

(a) If staff of one of the Designating Regulators notifies the other Designating Regulators that in their view there is a disagreement that cannot be resolved through staff discussions, then staff of the Co-ordinating Regulator will arrange for senior staff of the Designating Regulators to discuss the issues and attempt to reach a consensus.

(b) If, following such discussions, a consensus is not reached, staff of the Co-ordinating Regulator will escalate the disagreement as applicable and, ultimately, to the Designating Regulators' Chairs or other senior executives of the Designating Regulators or such other process as agreed to by staff of the Designating Regulators.

(c) If, following such escalation, a consensus is not reached, OBSI may withdraw the Rule Change in accordance with section 13 or staff of the Designating Regulators will recommend that their respective decision makers object to or not approve the Rule Change.

13. Withdrawing Rule Changes

(a) **Filing notice of withdrawal.** If OBSI withdraws a proposed public comment Rule Change that the Designating Regulators have not yet approved or non-objected to, OBSI will file with staff of the Designating Regulators a written notice indicating that it will be withdrawing the Rule Change.

(b) **Contents of notice of withdrawal.** The written notice in subsection 13(a) must contain:

(i) the reason OBSI submitted the proposed Rule Change,

(ii) any date that the Board approved the proposed Rule Change,

(iii) any prior publication dates, if applicable,

(iv) the Board resolution supporting the withdrawal of the proposed Rule Change, if applicable,

(v) the reasons OBSI is withdrawing the proposed Rule Change, and

(vi) the impact of withdrawing the proposed Rule Change on the public interest.

(c) **Publishing notice of withdrawal.** Where the proposed Rule Change being withdrawn had previously been published for comment under subsection 6(b), staff of the Co-ordinating Regulator and OBSI will both publish a notice on their public websites stating that OBSI will be withdrawing the proposed Rule Change, together with the reasons OBSI is withdrawing the proposed Rule Change.

14. Reviewing and amending Protocol

Staff of the Designating Regulators will, when they agree it is necessary to do so, conduct a joint review of the operation of this Protocol in order to identify issues relating to:

(a) the effectiveness of this Protocol,

(b) the continuing appropriateness of the timelines and other requirements set out in this Protocol, and

(c) any necessary or desirable amendments to this Protocol.

15. Waiving or varying Appendix C

(a) **OBSI request.** OBSI may file a written request with the Designating Regulators to waive or vary any part of this Protocol and, in such a case, the Designating Regulators will use best efforts to adhere to the following using timelines established among themselves:

(i) A Designating Regulator who objects to the granting of the waiver or variation will, in writing, notify the other Designating Regulators of its objection, together with the reasons for its objection.

(ii) If the Co-ordinating Regulator does not receive or send any notice of objection within the agreed upon timelines, the Designating Regulators are deemed to not object to the waiver or variation.

(iii) The Co-ordinating Regulator will provide written notice to OBSI as to whether or not the waiver or variation has been granted.

(b) **DR request.** The Designating Regulators may waive or vary any part of this Protocol if all of the Designating Regulators agree in writing (or such other means, as appropriate) to such waiver or variation.

(c) **General.** A waiver or variation may be specific or general and may be made for a time or for all time as mutually agreed to by the Designating Regulators.

16. Publishing materials

If staff of the Co-ordinating Regulator publish any materials under this Protocol, staff of the other Designating Regulators may also publish the same materials, and in such a case, staff of the Co-ordinating Regulator will coordinate the publication date with staff of the other Designating Regulators.

APPENDIX D

Oversight of OBSI by the AMF

WHEREAS OBSI is designated or recognized as the identified ombudservice under applicable securities legislation and subject to terms and conditions by each of the Designating Regulators;

WHEREAS in Québec the Autorité des marchés financiers (the **AMF**) provides conciliation and mediation services to consumers of financial products and services, including retail investors, and Registered Firms are deemed to comply with the dispute resolution requirements included in NI 31-103 if they comply with the applicable provisions of the *Derivatives Act* (Québec) and the *Securities Act* (Québec);

WHEREAS investors in Québec are nevertheless entitled to use the services of OBSI for disputes that fall within OBSI's mandate, in lieu of the conciliation or mediation services of the AMF;

WHEREAS investors in Québec only have access to the non-binding services of OBSI;

WHEREAS it is in the interests of investors and Registered Firms in Québec that the AMF participates in the Oversight Program and be informed of any potential systemic issue identified by OBSI;

Consequently, the AMF participates in the Oversight Program, the parties have agreed on AMF participating in the Oversight Program as follows:

1. The AMF shall participate in the Oversight Program with respect to the supervision of OBSI's non-binding services provided to investors and Registered Firms in Québec.

2. The AMF shall be informed of any potential systemic issues identified by OBSI.

3. The AMF shall designate representatives to serve on the OBSI Oversight Committee as established in section 3 of the MOU, and shall participate in the Oversight Program as per sections 3 (General Provisions), 4 (Review of Information Filed), 6 (Oversight Reviews) and 7 (Oversight Activities) within the limits provided in sections 1 and 2 of Appendix D.

4. The AMF may participate in discussion of issues, concerns and proposals relating to the oversight of OBSI and may comment on the documents referred to in Appendices A and C and, without limiting the scope of the forgoing, shall participate in discussions on issues, concerns, proposals or comment on documents pertaining to:

    i. any changes to the Terms of reference, By-Laws, procedural guidelines or any other governing documents of OBSI, fee model or to the loss calculation methodology used by OBSI in delivering an OBSI recommendation;

    ii. any potential systemic issue identified by OBSI;

    iii. the results of any independent third-party review of OBSI's function conducted in accordance with an OBSI Designation Order and any remediation plan or any other relevant documentation.

5. The AMF may choose to participate in a review of OBSI as set out in Appendix B or may choose to rely on a Designating Regulator for the review of OBSI for the purpose of being informed of draft findings and commenting on the draft review report.

B.7
Insider Reporting

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

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

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

B.9
IPOs, New Issues and Secondary Financings

INVESTMENT FUNDS

Issuer Name:
Harvest High Income Equity Shares ETF
Principal Regulator – Ontario
Type and Date:
Combined Preliminary and Pro Forma Long Form Prospectus dated Jul 11, 2025
NP 11-202 Preliminary Receipt dated Jul 11, 2025
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Filing #06309360

Issuer Name:
BetaPro -3x 20+ Year US Treasury Daily Leveraged Bear Alternative ETF
BetaPro -3x Gold Bullion Daily Leveraged Bear Alternative ETF
BetaPro -3x S&P/TSX 60 Daily Leveraged Bear Alternative ETF
BetaPro -3x Semiconductor Daily Leveraged Bear Alternative ETF
BetaPro -3x Silver Daily Leveraged Bear Alternative ETF
BetaPro 3x 20+ Year US Treasury Daily Leveraged Bull Alternative ETF
BetaPro 3x Gold Bullion Daily Leveraged Bull Alternative ETF
BetaPro 3x S&P/TSX 60 Daily Leveraged Bull Alternative ETF
BetaPro 3x Semiconductor Daily Leveraged Bull Alternative ETF
BetaPro 3x Silver Daily Leveraged Bull Alternative ETF
Principal Regulator – Ontario
Type and Date:
Preliminary Long Form Prospectus dated Jul 7, 2025
NP 11-202 Preliminary Receipt dated Jul 8, 2025
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Filing #06307924

Issuer Name:
AGF Global Sustainable Growth Equity Fund
AGF Short-Term Income Class
Principal Regulator – Ontario
Type and Date:
Amendment No. 3 to Final Simplified Prospectus dated Jul 9, 2025
NP 11-202 Final Receipt dated Jul 11, 2025
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Filing #06258518

Issuer Name:
Ninepoint Resource Fund
Principal Regulator – Ontario
Type and Date:
Amendment No. 2 to Final Simplified Prospectus dated Jul 8, 2025
NP 11-202 Final Receipt dated Jul 8, 2025
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Filing #06268881

Issuer Name:
CI Alternative Credit Opportunities Fund
CI Alternative Diversified Opportunities Fund
CI Alternative Equity Premium Yield Fund
CI Alternative Investment Grade Credit Fund
CI Alternative Multi-Strategy Fund
CI Alternative North American Opportunities Fund
CI Auspice Alternative Diversified Corporate Class
CI Auspice Broad Commodity Fund
CI DoubleLine Total Return Bond US$ Fund
CI Enhanced Short Duration Bond Fund
CI Equity Premium Yield Fund
CI Floating Rate Income Fund
CI Global Asset Allocation Private Pool
CI Global Climate Leaders Fund
CI Global Dividend Private Pool
CI Global Green Bond Fund
CI Global Infrastructure Private Pool
CI Global Longevity Economy Fund
CI Global Real Asset Private Pool
CI Global REIT Private Pool
CI Global Short-Term Bond Fund
CI Global Sustainable Infrastructure Fund
CI Global Unconstrained Bond Fund
CI High Yield Bond Private Pool
CI High Yield Bond Private Pool (Discontinued)
CI Marret Alternative Absolute Return Bond Fund
CI Marret Alternative Enhanced Yield Fund
CI Munro Alternative Global Growth Fund
CI Munro Global Growth Equity Fund
CI U.S. Monthly Income Private Pool
CI U.S. Small/Mid Cap Equity Private Pool
Principal Regulator – Ontario
Type and Date:
Final Simplified Prospectus dated Jul 8, 2025
NP 11-202 Final Receipt dated Jul 10, 2025
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Filing #06293531

NON-INVESTMENT FUNDS

Issuer Name:
Black Diamond Group Limited
Principal Regulator – Alberta
Type and Date:
Final Short Form Prospectus dated July 9, 2025
NP 11-202 Final Receipt dated July 9, 2025
Offering Price and Description:
$36,855,000 – 4,050,000 Common Shares
Price: $9.10 per Common Share
Filing # 06303750

Issuer Name:
Matador Technologies Inc.
Principal Regulator – Ontario
Type and Date:
Preliminary Shelf Prospectus dated July 10, 2025
NP 11-202 Preliminary Receipt dated July 11, 2025
Offering Price and Description:
$900,000,000 – Common Shares, Debt Securities, Warrants, Subscription Receipts, Units
Filing # 06309327

Issuer Name:
Kolibri Global Energy Inc.
Principal Regulator – British Columbia
Type and Date:
Final Shelf Prospectus dated July 9, 2025
NP 11-202 Final Receipt dated July 9, 2025
Offering Price and Description:
US$75,000,000 – Common Shares, Preferred Shares, Warrants, Units, Subscription Receipts
Filing # 06302614

Issuer Name:
Almonty Industries Inc.
Principal Regulator – Ontario
Type and Date:
Preliminary Prospectus - MJDS dated July 7, 2025
NP 11-202 Preliminary Receipt dated July 7, 2025
Offering Price and Description:
US$● – Common Shares
Filing # 06307802

Issuer Name:
Galiano Gold Inc. (formerly Asanko Gold Inc.)
Principal Regulator – British Columbia
Type and Date:
Final Shelf Prospectus dated July 8, 2025
NP 11-202 Final Receipt dated July 9, 2025
Offering Price and Description:
US$500,000,000 – Common Shares, Warrants, Subscription Receipts, Units, Debt Securities, Share Purchase Contracts
Filing # 06302146

Issuer Name:
GO Residential Real Estate Investment Trust
Principal Regulator – Ontario
Type and Date:
Amendment to Preliminary Long Form Prospectus dated July 11, 2025
NP 11-202 Amendment Receipt dated July 11, 2025
Offering Price and Description:
$410,000,000 – 27,340,000 Units
The price per Unit is stated in U.S. dollars.
Filing # 06300618

Issuer Name:
Super Lithium Corp.
Principal Regulator – British Columbia
Type and Date:
Amendment to Preliminary Long Form Prospectus dated July 9, 2025
NP 11-202 Amendment Receipt dated July 10, 2025
Offering Price and Description:
7,210,000 Units Upon the Exercise of 7,210,000 Series “A” Special Warrants and 3,287,500 Common Shares Upon the Exercise of 3,287,500 Series “B” Special Warrants
Filing # 06268914

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B.10
Registrations

B.10.1 Registrants

Type	Company	Category of Registration	Effective Date
Change Registration Category	NEST WEALTH ASSET MANAGEMENT INC.	From: Exempt Market Dealer, Investment Fund Manager and Portfolio Manager To: Portfolio Manager	July 4, 2025
Voluntary Surrender	Bitbuy Technologies Inc.	Restricted Dealer	July 4, 2025
Change in Registration Category	JPMorgan Asset Management (Canada) Inc./Gestion D'Actif JPMorgan (Canada) Inc.	From: Investment Fund Manager, Portfolio Manager and Exempt Market Dealer To: Investment Fund Manager, Portfolio Manager, Exempt Market Dealer and Commodity Trading Manager	July 10, 2025
New Registration	Nordcrest Capital Inc.	Exempt Market Dealer, Portfolio Manager, Investment Fund Manager and Commodity Trading Manager	July 11, 2025
Voluntary Surrender	SOCIÉTÉ DE GESTION PRIVÉE DES FONDS FMOQ INC.	Exempt Market Dealer	July 14, 2025
Change in Registration Category	Bull Capital Management Inc.	From: Investment Fund Manager, Portfolio Manager and Exempt Market Dealer To: Investment Fund Manager and Portfolio Manager	July 15, 2025

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B.11
CIRO, Marketplaces, Clearing Agencies and Trade Repositories

B.11.1 CIRO

B.11.1.1 Canadian Investment Regulatory Organization (CIRO) – Amendments to UMIR Respecting Net Asset Value Orders and Intentional Crosses – Notice of Commission Approval

NOTICE OF COMMISSION APPROVAL

CANADIAN INVESTMENT REGULATORY ORGANIZATION (CIRO)

AMENDMENTS TO UMIR RESPECTING NET ASSET VALUE ORDERS AND INTENTIONAL CROSSES

The Ontario Securities Commission has approved CIRO's proposed amendments to the Universal Market Integrity Rules (**UMIR**) respecting net asset value (**NAV**) orders and intentional crosses (**Amendments**).

The Amendments:

- increase transparency around the execution of certain orders in Exempt Exchange-traded Funds (**ETFs**, each an **ETF**) where the execution price of the order references the NAV of the ETF as published by the issuer of the ETF in accordance with applicable securities legislation, and
- remove an outdated prohibition in the definition of "intentional cross" that prohibits an intentional cross where one side of the trade is jitney and clarify its application.

CIRO published the Amendments for comment on July 18, 2024. Seven comment letters were received. No changes were made to the Amendments in response to the comments received. A summary of the public comments and CIRO's responses to those comments, as well as the CIRO Implementation Bulletin, including text of the Amendments, can be found at www.osc.ca.

The Amendments will be effective on January 13, 2026.

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 Office of the Superintendent of Securities; 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 Canadian Securities Exchange – Public Interest Rule Amendments – Proposed Amendments to CSE Listing Policies – Notice and Request for Comments

CANADIAN SECURITIES EXCHANGE

PUBLIC INTEREST RULE AMENDMENTS

PROPOSED AMENDMENTS TO CSE LISTING POLICIES

NOTICE AND REQUEST FOR COMMENTS

CNSX Markets Inc., operator of the Canadian Securities Exchange (CSE or Exchange) is filing this Notice in accordance with the process for the Review and Approval of Rules and Information Contained in Form 21-101F1 and the Exhibits Thereto attached as Appendices to the Exchange's recognition orders (the Protocol). CSE is proposing to amend CSE Listing Policies (Policies) to introduce an approval requirement for Major Acquisitions and broaden the application of its definition in the Policies (Proposed Amendments). These Proposed Amendments are Public Interest Rule Amendments under the Protocol and subject to public comment.

A. Description of the Proposed Amendments

CSE is proposing that its Policies be amended to introduce a specific approval process for a re-defined 'Major Acquisition' that is separate and apart from the process applicable to a Fundamental Change. Specifically, proposed CSE Policy 6.3(1)(a) would require a Listed Issuer intending to complete a Major Acquisition, based on the proposed re-definition, to obtain approval from the Exchange before completion of the transaction. The explicit approval requirement will impose a review process on Major Acquisitions that are not otherwise Fundamental Changes and therefore not subject to the review process and disclosure and escrow requirements that are applicable to Fundamental Changes. Proposed CSE Policy 6.3(e) would exclude Major Acquisitions from the existing deemed approval process.

The Proposed Amendments broaden the scope of the definition of "Major Acquisition". "Major Acquisition" is currently defined in CSE Policy 1 – Interpretation and General Provisions specifically in the context of a Fundamental Change, through the explicit reference to Policy 8 - Fundamental Changes and Changes of Business (Policy 8). The Proposed Amendments do not alter the core definition of a Major Acquisition but rather broaden its application beyond CSE Policy 8.

There are other drafting amendments to 6.3(1)(b) to accommodate the new requirement in 6.3(1)(a). The amendment to CSE Policy 6.3(1) (d) is grammatical correction.

The review of a Major Acquisition transaction may be subject to a fee, to be introduced by way of a separate filing.

The blacklined text of the policies included in Appendix A and the amended clean text is attached as Appendix B. Current CSE Policies are available at: Policies | CSE - Canadian Securities Exchange (thecse.com)

B. Expected Effective Date

The Proposed Amendments will be effective following regulatory approval.

C. Rationale for the Proposal and Supporting Analysis

Currently, only an acquisition that is a Fundamental Change requires both Exchange and shareholder approval. For any other acquisition, shareholder approval would only be required for the issuance of shares if the consideration shares for the acquisition were to exceed specific ownership or dilution thresholds[1]. No other acquisition is explicitly subject to Exchange approval. A Fundamental Change is determined by two tests; the transaction must be a Major Acquisition accompanied by a Change of Control, with each of those terms defined explicitly and solely for that determination. A Fundamental Change requires disclosure consistent with prospectus requirements and is subject to the Exchange review and approval requirements of a new listing.

CSE has identified potential gaps in the disclosure requirements for acquisitions that are material to an issuer, meeting the defined criteria for a Major Acquisition, but do not meet the Change of Control test for a Fundamental Change or the ownership/dilution tests for shareholder approval. The Proposed Amendments would introduce a separate and distinct approval process for Major Acquisitions.

CSE is committed to upholding investor confidence and market integrity by ensuring that investors have access to relevant disclosure about Listed Issuers and the value of acquired assets. The proposed Exchange approval requirement seeks to address risks and public interest concerns associated with the materiality of transactions that meet the definition of a Major Acquisition.

[1] If the consideration shares are 50% of the outstanding shares and there is a new control position, or if the consideration shares represent more than 100% of the outstanding shares.

In our view, this approach is consistent with the public interest and fosters fair and efficient markets.

D. Expected Impact

The Proposed Amendments are expected to impact Listed Issuers contemplating a Major Acquisition and require approval by the Exchange before a Listed Issuer can proceed with a Major Acquisition. The effective result of the approval requirement will limit the issuance of shares as consideration for assets without comprehensive disclosure of the value of those underlying assets and could result in additional changes to the structure of, or the conditions on, the transaction. It would also require the Listed Issuer to liaise directly with the Exchange through the review process which may result in a longer period between the announcement and closing.

E. Compliance with Ontario and British Columbia Securities Law

The Proposed Amendments are consistent with Ontario and British Columbia securities law.

F. Technology Changes

No related technology changes are required.

G. Alternatives Considered

The alternative is to maintain the status quo whereby Listed Issuers could proceed with closing an acquisition, including a Major Acquisition, if within 5 (five) days there is no objection to the announcement and notice as required in CSE Policy 6.3(1)(d). An explicit approval process ensures that the appropriate disclosure is available to investors and provides clarity and transparency about the review process by the Exchange. The Exchange currently reviews all acquisitions, which, for larger acquisitions is often similar to an approval process. The proposed re-definition of 'Major Acquisition' will set a transparent threshold for Listed Issuers, on what CSE would consider to be material and require its approval.

H. Other Markets or Jurisdictions

TSX Venture Exchange (TSXV) has similar provisions in its policies, where transactions of this nature go through an approval process, with an exception for expedited transactions that are not subject to advance approval requirements. CSE requirements were intended to be comparable to the expedited process on the TSX V, with amendments in April 2023 to add a 5-day advance disclosure requirement. The Proposed Amendments will require Major Acquisitions to go through an approval process, comparable to the TSX V requirements that reviewable transactions are subject to Issuers obtaining prior TSXV acceptance.

Comments

Please submit comments on the proposed amendments no later than August 16, 2025 to:

Chioma Nwachukwu
Legal Counsel
CNSX Markets Inc.
100 King Street West, Suite 7210
Toronto, ON, M5X 1E1
Email: GeneralCounsel@thecse.com

Georgina Steffens
Senior Oversight Analyst, Market and SRO Oversight
Capital Markets Regulation
British Columbia Securities Commission
1200-701 West Georgia Street
Vancouver, BC V7Y 1L2
Email: GSteffens@bcsc.bc.ca

Trading and Markets Division
Ontario Securities Commission
20 Queen Street West, 20th Floor
Toronto, ON, M5H 3S8
Email: TradingandMarkets@osc.gov.on.ca

BLACK-LINED VERSION OF CSE LISTING POLICIES

Policy 1 Interpretation and General Provisions

[…]

1.3 Definitions

[…]

(2) In all Policies, unless the subject matter or context otherwise requires:

[…]

"Major Acquisition" means~~, with respect to Policy 8,~~ an asset purchase (whether for cash or securities), take-over (either a formal or exempt bid), amalgamation, arrangement or other form of merger, the result of which is that for the next 12-month period at least 50% of the Listed Issuer's

(a) assets or resources are expected to be comprised of,

(b) anticipated revenues are expected to be derived from, or

(c) expenditures and management time and effort will be devoted to the assets, properties businesses or other interests that are the subject of the Major Acquisition.

Policy 6 Distributions and Corporate Finance

[…]

6.3 Acquisitions

1) Where a Listed Issuer proposes to issue securities as full or partial consideration for assets (including securities), the Listed Issuer must immediately Post notice of the proposed acquisition (Notice of Proposed Issuance of Listed Securities). Management of the Listed Issuer is responsible for ensuring that the consideration paid for the asset is reasonable and must retain adequate evidence of value received for consideration paid such as confirmation of out-of-pocket costs or replacement costs, fairness opinions, geological reports, financial statements or valuations. The evidence of value must be made available to the Exchange upon request. In addition, the following requirements apply:

~~Notwithstanding compliance with the specific requirements set out in this section 6.3, the Exchange may object to a transaction or impose additional requirements pursuant to Policy 1 s. 1.2.~~

(a) Major Acquisitions must be approved by the Exchange prior to completion. ~~Shares must be issued at a price that does not exceed the Maximum Permitted Discount under section 6.2(1).~~

(b) ~~Where a Listed Issuer is relying on confidential price protection, the requirements of section 6.2(4) apply~~ With respect to any acquisition,

(i) ~~S~~ shares must be issued at a price that does not exceed the Maximum Permitted Discount under section 6.2(1); and

(ii) ~~W~~ where a Listed Issuer is relying on confidential price protection, the requirements of section 6.2(4) apply.

[…]

(d) A Listed Issuer must, at least 5 Business Days prior to closing,

(i) announce the intention to complete the acquisition, and

(ii) provide notice to the Exchange and Post a Notice of Proposed Issuance of Listed Securities.

(e) Other than for Major Acquisitions, if the Exchange has not objected to ~~the~~ an acquisition within the five business day period set out in 6.3(1)(d), the Listed Issuer may proceed to close the acquisition.

Notwithstanding compliance with the specific requirements set out in this section 6.3, the Exchange may object to a transaction or impose additional requirements pursuant to Policy 1 s. 1.2.

CLEAN VERSION OF CSE LISTING POLICIES

Policy 1 Interpretation and General Provisions

[…]

1.3 Definitions

[…]

(2) In all Policies, unless the subject matter or context otherwise requires:

[…]

"Major Acquisition" means an asset purchase (whether for cash or securities), take-over (either a formal or exempt bid), amalgamation, arrangement or other form of merger, the result of which is that for the next 12-month period at least 50% of the Listed Issuer's

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(b) anticipated revenues are expected to be derived from, or

(c) expenditures and management time and effort will be devoted to the assets, properties businesses or other interests that are the subject of the Major Acquisition.

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6.3 Acquisitions

1) Where a Listed Issuer proposes to issue securities as full or partial consideration for assets (including securities), the Listed Issuer must immediately Post notice of the proposed acquisition (Notice of Proposed Issuance of Listed Securities). Management of the Listed Issuer is responsible for ensuring that the consideration paid for the asset is reasonable and must retain adequate evidence of value received for consideration paid such as confirmation of out-of-pocket costs or replacement costs, fairness opinions, geological reports, financial statements or valuations. The evidence of value must be made available to the Exchange upon request. In addition, the following requirements apply:

(a) Major Acquisitions must be approved by the Exchange prior to completion.

(b) With respect to any acquisition,

(i) shares must be issued at a price that does not exceed the Maximum Permitted Discount under section 6.2(1); and

(ii) where a Listed Issuer is relying on confidential price protection, the requirements of section 6.2(4) apply.

[…]

(d) A Listed Issuer must, at least 5 Business Days prior to closing,

(i) announce the intention to complete the acquisition; and

(ii) provide notice to the Exchange and Post a Notice of Proposed Issuance of Listed Securities.

(e) Other than for Major Acquisitions, if the Exchange has not objected to an acquisition within the five business day period set out in 6.3(1)(d), the Listed Issuer may proceed to close the acquisition.

Notwithstanding compliance with the specific requirements set out in this section 6.3, the Exchange may object to a transaction or impose additional requirements pursuant to Policy 1 s. 1.2.

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