The Ontario Securities Commission

OSC Bulletin

September 11, 2025

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

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A.1.1 Ontario Securities Commission et al. – ss. 127(1), 127.1

FILE NO.: 2025-15

ONTARIO SECURITIES COMMISSION

(Applicant)

AND

DANIEL ST-JEAN,
7120761 CANADA INC.,
8795436 CANADA INC., AND
AETOS GREEN ENERGY DSJ INC.

(Respondents)

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

PROCEEDING TYPE: Enforcement Proceeding

HEARING DATE AND TIME: September 30, 2025, at 10:00 a.m.

LOCATION: By videoconference

PURPOSE

The purpose of this proceeding is to consider whether it is in the public interest for the Capital Markets Tribunal to make the orders requested in the application filed by the Commission on August 29, 2025.

The hearing set for the date and time indicated above is the first case management hearing in this proceeding, as described in subsection 14(4) of the *Capital Markets Tribunal Rules of Procedure.*

REPRESENTATION

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

FAILURE TO ATTEND

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

FRENCH HEARING

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

AVIS EN FRANÇAIS

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

Dated at Toronto this 4th day of September, 2025

Registrar, Governance & Tribunal Secretariat
Ontario Securities Commission

For more information

Please visit capitalmarketstribunal.ca or contact the Registrar at registrar@capitalmarketstribunal.ca.

ONTARIO SECURITIES COMMISSION

Applicant

AND

DANIEL ST-JEAN,
7120761 CANADA INC.,
8795436 CANADA INC., AND
AETOS GREEN ENERGY DSJ INC.

Respondents

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

A. OVERVIEW

1. The matter involves the illegal distribution of securities, the fraudulent misuse of millions of dollars of investor funds, and the unregistered trading of securities.

2. Daniel St-Jean publicly represented himself and his companies as being in the real estate investment business. Through his companies AETOS Green Energy DSJ Inc., 7120761 Canada Inc., and 8795436 Canada Inc., St-Jean raised at least $33 million, for real estate and other investment projects, from over 250 investors in violation of the prospectus requirements.

3. St-Jean, through AETOS, also defrauded investors in relation to one of those projects; a purported residential real estate development project in Hantsport, Nova Scotia. St-Jean misused at least $5.5 million of Hantsport invest funds for purposes other than what was represented to these investors.

4. St-Jean further engaged in the unregistered trading of securities related to the Hantsport project.

5. While under investigation by the Ontario Securities Commission, St-Jean unlawfully disclosed confidential information to third parties in breach of s. 16 of the *Securities Act*.

6. This conduct harmed investors and undermined the integrity of the capital markets. Through this proceeding, the Ontario Securities Commission seeks to hold St-Jean and his companies accountable for this serious misconduct.

B. GROUNDS

The Ontario Securities Commission (**OSC or Commission**) makes the following allegations of fact:

The Respondents

7. Between January 1, 2020, and at least November 3, 2023 (the **Material Time**),[1] Daniel St-Jean (**St-Jean**) regularly promoted and sold securities to investors in his companies AETOS Green Energy DSJ Inc. (**AETOS**), 7120761 Canada Inc., operating as Safe and Sound Real Estate Investment Group (**712**), and 8795436 Canada Inc. (**879**).

8. St-Jean is an Ontario resident who purports to be in the real estate investment business.

9. AETOS was federally incorporated on March 6, 2020, with a registered office in Windsor, Nova Scotia. AETOS was largely used by St-Jean to sell investments linked to his business associate, Panagiotis Tsakanikas (**Tsakanikas**), including in a purported residential real-estate development project in West Hants Regional Municipality, Nova Scotia (the **Hantsport Project**). St-Jean was AETOS' directing mind and sole officer and director.

10. 712 was federally incorporated on February 9, 2009, with a registered office in Niagara-on-the-Lake, Ontario. 879 was federally incorporated on February 2, 2014, with the same registered office location. St-Jean was the directing mind, as well as an officer and director of both 712 and 879. Both 712 and 879's business operations were represented to involve real estate investments and/or rent-to-own investment opportunities offered to the public.

The Respondents Illegally Distributed Securities

11. For over 3 years, St-Jean, through AETOS, 712 or 879 (collectively the **Corporate Respondents**), engaged in the illegal distribution of securities contrary to subsection 53(1) of the *Securities Act*, RSO 1990 c S.5 (the **Act**). Combined, the

[1] All activities described occurred during this Material Time unless otherwise indicated.

Respondents sold hundreds of initial investment agreements (**Investment Agreement(s)**) and agreements extending these investments (**Extension Agreement(s)**) to investors. Through these sales the Respondents raised at least $33 million from hundreds of investors, including Ontario investors, for real estate and other investment projects. All of these Investment and Extension Agreements are securities under s. 1(1) of the Act.

12. St-Jean regularly promoted his investment opportunities through hundreds of email solicitations to his contacts.

13. The securities took various forms. Some were tied to specific real estate projects or properties, while others were labeled as "financing agreements" with no project reference. Despite their labels, all were investments in one of St-Jean's three companies. The investments included:

- at least 200 Investment Agreements or Extension Agreements in AETOS, including those related to the Hantsport Project;
- at least 300 Investment Agreements or Extension Agreements in 712; and
- at least 7 Investment Agreements in 879.

14. The sale of these securities were trades in securities not previously issued and were therefore distributions.

15. No preliminary prospectus, prospectus, or report of exempt distribution, including Form 45-106F1, was filed for the distribution of any of these securities. The investments did not qualify for any exemption from the prospectus requirements under Ontario securities law.

St-Jean and AETOS Defrauded Hantsport Investors

16. St-Jean and AETOS also engaged in the fraudulent misuse of Hantsport investors' funds contrary to subsection 126.1(1)(b) of the Act.

Background to The Hantsport Investment Opportunity

17. Around May 2021, St-Jean learned about the Hantsport Project. Tsakanikas' company owned a parcel of undeveloped land at 8 Bog Road, in West Hants Regional Municipality, Nova Scotia (**Hantsport Property**) that Tsakanikas purportedly intended to develop with up to 225 houses.

18. St-Jean and Tsakanikas agreed that St-Jean would raise capital in relation to the Hantsport Project. Neither St-Jean, nor any of his Companies were the developer of the Hantsport Project, and neither held title over any of the land that was to be developed.

19. Around December 2021, St-Jean began sending emails to potential investors soliciting investment in "lots" that St-Jean claimed would comprise the Hantsport Project (**Hantsport Agreements**). In exchange for the investment, investors were promised annual interest (to be paid periodically), a "lender's fee," as well as the return of their principal within a defined maturity period. Investors were also told that they would be registered on title as security for their investments.

20. St-Jean was the sole signatory of the Hantsport Agreements on behalf of AETOS, which also contained a "personal promissory note" by St-Jean in favour of the investor.

The Sale of Hantsport Agreements to Investors

21. Between January 2022, and November 2023, St-Jean sold Hantsport Agreements to investors through eight different "phases." Each of these "phases" involved the sale of purported individual lots that were said to be part of the Hantsport Project.

22. During this time, St-Jean sold approximately 110 Hantsport Agreements to at least 100 investors. St-Jean raised at least $8.1 million through these Hantsport Agreement sales.

23. For St-Jean's solicitation efforts, he expected to receive commissions from Tsakanikas. He also wrote in emails to investors that he would be entitled to management fees for his capital raising efforts.

24. During the initial phases of St-Jean's Hantsport Agreement sales, investors sent their investment funds directly to Tsakanikas' lawyer. However, beginning in April 2022, the majority of new Hantsport investors began depositing their investment funds directly into AETOS' corporate bank account, over which St-Jean had full control.

St-Jean and AETOS' Fraudulent Conduct

25. St-Jean and AETOS engaged in acts of deceit, falsehood, or other fraudulent means upon Hantsport Agreement investors.

26. St-Jean widely represented to investors that their investment funds would be used for Hantsport Project development purposes. Contrary to these representations, at least $5.5 million of investors' funds that were sent directly to AETOS' corporate bank account were used for other purposes. This misuse of investor funds included, but was not limited to:

- using investor funds to pay interest and/or principal owing to other AETOS investors, including Hantsport investors;
- using investor funds to repay interest and/or principal owing to 712 investors; and
- transferring investor funds to 712, which were then disbursed for purposes other than for the Hantsport Project's development.

27. In April 2022, a mere three months into the Hantsport Agreement solicitations, St-Jean began to use the investment funds from Hantsport investors for the purposes described above.

28. St-Jean continued to solicit investment in the Hantsport Agreements and misuse investor funds until at least November 8, 2023.

29. As of August 18, 2025, no houses had been built on the Hantsport property and no Hantsport investors had received any repayment of their principal investment.

30. As a result of St-Jean and AETOS' actions, investors were exposed to undisclosed risks.

St-Jean's Unlawful Disclosure During the OSC Investigation

31. As part of the OSC's investigation into the Respondents' misconduct, St-Jean was served with a summons on September 7, 2023, pursuant to s. 13 of the Act (the **Summons**).

32. The Summons was accompanied by a cover letter dated September 6, 2023 (**Cover Letter**) that stated in part, "there is a high degree of confidentiality associated with this matter. We wish to bring to your attention subsection 16(1) of the Act." The Cover Letter went on to reproduce subsection 16(1) of the Act.

33. Despite these warnings, between September 8, 2023, and June 19, 2024, St-Jean communicated to third parties, details about the Summons and St-Jean's compelled examinations under s. 13 of the Act, contrary to the non-disclosure prohibition in subsection 16(1)(b) of the Act.

St-Jean and AETOS Engaged in Unregistered Trading

34. Neither St-Jean nor AETOS have ever been registered with the Commission to trade in securities. No exemptions from the registration requirement were available to St-Jean or AETOS under Ontario securities law.

35. Based on the conduct described in paragraphs 17-30, and 34, St-Jean and AETOS engaged in, or held themselves out as engaging in, the business of trading in Hantsport Agreements, without the necessary registration or an exemption from the registration requirement, contrary to subsection 25(1) of the Act.

C. BREACHES OF ONTARIO SECURITIES LAW

36. The Commission alleges the following breaches of Ontario securities law:

i. St-Jean and AETOS directly or indirectly engaged in or participated in acts, practices or courses of conduct relating to securities that they each knew or reasonably ought to have known perpetrated a fraud on persons or companies, contrary to subsection 126.1(1)(b) of the Act;

ii. St-Jean, AETOS, 712 and 879 engaged in distributions of securities without filing a preliminary prospectus or prospectus and without an applicable exemption from the prospectus requirement, contrary to subsection 53(1) of the Act;

iii. St-Jean disclosed information about: i) a summons issued pursuant to s. 13 of the Act; and ii) St-Jean's examinations under s. 13 of the Act, contrary to subsection 16(1)(b) of the Act;

iv. St-Jean and AETOS engaged in, and held themselves out as engaging in, the business of trading in Hantsport Agreements, without the necessary registration or an applicable exemption from the registration requirement, contrary to subsection 25(1) of the Act; and

v. As a director and/or officer of AETOS, 712 and 879, St-Jean, authorized, permitted, or acquiesced in the Corporate Respondents' breaches of Ontario securities law and, pursuant to section 129.2 of the Act, is deemed to have also not complied with Ontario securities law.

37. These allegations may be amended, and further and other allegations may be added as counsel may advise, and the Capital Markets Tribunal (the **Tribunal**) may permit.

D. ORDER SOUGHT

38. The Commission requests that the Tribunal make the following orders:

As against all of St-Jean, AETOS, 712 and 879:

i. that they cease trading in any securities or derivatives permanently or for such period as is specified by the Tribunal, pursuant to paragraph 2 of subsection 127(1) of the Act;

ii. that they be prohibited from acquiring any securities permanently or for such period as is specified by the Tribunal, pursuant to paragraph 2.1 of subsection 127(1) of the Act;

iii. that any exemptions contained in Ontario securities law not apply to them permanently or for such period as is specified by the Tribunal, pursuant to paragraph 3 of subsection 127(1) of the Act;

iv. that they be prohibited from becoming or acting as a registrant or promoter, permanently or for such period as is specified by the Tribunal, pursuant to paragraph 8.5 of subsection 127(1) of the Act;

v. that they pay an administrative penalty of not more than $5 million for each failure to comply with Ontario securities law, pursuant to paragraph 9 of subsection 127(1) of the Act;

vi. that they disgorge to the Commission any amounts obtained as a result of non-compliance with Ontario securities law, pursuant to paragraph 10 of subsection 127(1) of the Act;

vii. that they pay costs of the Commission investigation and the hearing, pursuant to section 127.1 of the Act; and

viii. such other order as the Tribunal considers appropriate in the public interest.

As against St-Jean:

i. that he be reprimanded, pursuant to paragraph 6 of subsection 127(1) of the Act;

ii. that he resign any position he may hold as a director or officer of an issuer pursuant to paragraph 7 of subsection 127(1) of the Act;

iii. that he be prohibited from becoming or acting as a director or officer of any issuer permanently or for such period as is specified by the Tribunal, pursuant to paragraph 8 of subsection 127(1) of the Act;

iv. that he resign any positions that he may hold as a director or officer of any registrant, pursuant to paragraph 8.1 of subsection 127(1) of the Act;

v. that he be prohibited from becoming or acting as a director or officer of any registrant permanently or for such period as is specified by the Tribunal, pursuant to paragraph 8.2 of subsection 127(1) of the Act; and

vi. such other order as the Tribunal considers appropriate in the public interest.

DATED this 29th day of August, 2025

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

Brian Weingarten
Litigation Counsel
Enforcement Division

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A.2
Other Notices

A.2.1 Ontario Securities Commission and Andrew DeFrancesco

FOR IMMEDIATE RELEASE
September 3, 2025

ONTARIO SECURITIES COMMISSION AND
ANDREW DEFRANCESCO,
File No. 2025-10

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

A copy of the Order dated September 3, 2025 is available at capitalmarketstribunal.ca.

Registrar, Governance & Tribunal Secretariat
Ontario Securities Commission

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A.2.2 Ontario Securities Commission et al.

FOR IMMEDIATE RELEASE
September 4, 2025

ONTARIO SECURITIES COMMISSION AND
JASON CLOTH AND
CREATIVE WEALTH MEDIA FINANCE CORP.,
File No. 2025-5

TORONTO – The case management hearing in the above-named matter on October 8, 2025, scheduled to commence at 10:00 a.m. will instead commence at 12:00 p.m. by videoconference.

Members of the public may observe the hearing by videoconference, by selecting the “View by Zoom” link on the Tribunal's hearing schedule, at capitalmarketstribunal.ca/en/hearing-schedule.

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A.2.3 Ontario Securities Commission et al.

FOR IMMEDIATE RELEASE
September 4, 2025

ONTARIO SECURITIES COMMISSION AND
DANIEL ST-JEAN,
7120761 CANADA INC.,
8795436 CANADA INC., AND
AETOS GREEN ENERGY DSJ INC.,
File No. 2025-15

TORONTO – The Tribunal issued a Notice of Hearing on September 4, 2025 setting the matter down to be heard on September 30, 2025 at 10:00 a.m. or as soon thereafter as the hearing can be held in the above-named matter.

A copy of the Notice of Hearing dated September 4, 2025 and Application for Enforcement Proceeding dated August 29, 2025 are available at capitalmarketstribunal.ca.

Members of the public may observe the hearing by videoconference, by selecting the "View by Zoom" link on the Tribunal's hearing schedule, at capitalmarketstribunal.ca/en/hearing-schedule.

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A.2.4 Harry Stinson et al.

FOR IMMEDIATE RELEASE
September 4, 2025

HARRY STINSON,
BUFFALO GRAND HOTEL INC.,
STINSON HOSPITALITY MANAGEMENT INC.,
STINSON HOSPITALITY CORP.,
RESTORATION FUNDING CORPORATION,
BUFFALO CENTRAL LLC, AND
STEPHEN KELLEY AND
ONTARIO SECURITIES COMMISSION,
File No. 2025-13

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

A copy of the Order dated September 4, 2025 is available at capitalmarketstribunal.ca.

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Ontario Securities Commission

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A.2.5 Katanga Mining Limited and Ontario Securities Commission

FOR IMMEDIATE RELEASE
September 5, 2025

KATANGA MINING LIMITED AND
ONTARIO SECURITIES COMMISSION,
File No. 2025-12

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

A copy of the Order dated September 4, 2025 is available at capitalmarketstribunal.ca.

Registrar, Governance & Tribunal Secretariat
Ontario Securities Commission

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A.3
Orders

A.3.1 Ontario Securities Commission and Andrew DeFrancesco – ss. 127(1), 127(4.0.3)

ONTARIO SECURITIES COMMISSION

(Applicant)

AND

ANDREW DEFRANCESCO

(Respondent)

File No. 2025-10

Adjudicator: Dale R. Ponder

September 3, 2025

ORDER
(Subsections 127(1) and 127(4.0.3) of the *Securities Act,* RSO 1990, c S.5)

WHEREAS the Capital Markets Tribunal held a hearing in writing to consider an application brought by the Ontario Securities Commission for an order imposing sanctions against the respondent, Andrew DeFrancesco, pursuant to subsections 127(1) and 127(4.0.3) of the *Securities Act* (the ***Act***);

ON READING the materials filed by the Commission, and on considering that the respondent did not provide submissions in response to the application;

IT IS ORDERED THAT:

1. pursuant to paragraphs 7, 8.1 and 8.3 of subsection 127(1) of the *Act*, DeFrancesco resign all positions he holds as a director or officer of any issuer, registrant, or investment fund manager; and

2. pursuant to paragraphs 8, 8.2 and 8.4 of subsection 127(1) of the *Act,* DeFrancesco is prohibited permanently from becoming or acting as a director or officer of any issuer, registrant, or investment fund manager.

"Dale R. Ponder"

A.3.2 Harry Stinson et al.

**HARRY STINSON,
BUFFALO GRAND HOTEL INC.,
STINSON HOSPITALITY MANAGEMENT INC.,
STINSON HOSPITALITY CORP.,
RESTORATION FUNDING CORPORATION,
BUFFALO CENTRAL LLC, AND
STEPHEN KELLEY**

(Applicants)

AND

ONTARIO SECURITIES COMMISSION

(Respondent)

File No. 2025-13

Adjudicator: Russell Juriansz (Chair)

September 4, 2025

ORDER

WHEREAS on September 4, 2025, the Capital Markets Tribunal held a hearing by videoconference regarding the scheduling of an application brought by Harry Stinson and Buffalo Grand Hotel Inc. (**Applicants**) for an order varying the Tribunal's order issued on December 15, 2023, in file number 2022-3;

ON READING the materials filed by the representatives for the Applicants and on hearing the submissions of the representatives for the Applicants and for the Ontario Securities Commission, no one appearing on behalf of Stinson Hospitality Management Inc., Stinson Hospitality Corp., Restoration Funding Corporation, Buffalo Central LLC, and Stephen Kelley;

IT IS ORDERED THAT:

1. the Applicants shall serve and file their application record by 4:30 p.m. on September 16, 2025, which shall be marked as confidential pursuant to rule 8(2) of the Tribunal's *Rules of Procedure*, subject to further order of the Tribunal, and the Applicants shall also file a redacted version of their application record which shall be made available to the public;

2. the Commission, and any other party who is opposing the application, shall serve and file their responding affidavit(s), if any, by 4:30 p.m. on September 22, 2025;

3. the Applicants shall serve and file their written submissions by 4:30 p.m. on September 24, 2025;

4. the Commission, and any other party who is opposing the application, shall serve and file their responding written submissions by 4:30 p.m. on October 1, 2025;

5. the Applicants shall serve and file their reply written submissions, if any, by 4:30 p.m. on October 7, 2025; and

6. the merits hearing of the application is scheduled for October 21, 2025, at 10:00 a.m., at the Capital Markets Tribunal located at 20 Queen Street West, 17th Floor, Toronto, Ontario, or on such other date or time as may be agreed to by the parties and set by the Governance & Tribunal Secretariat.

"Russell Juriansz"

A.3.3 Katanga Mining Limited and Ontario Securities Commission – s. 17 of the OSA, s. 2(2) of the Tribunal Adjudicative Records Act, 2019, Rule 8 of the Rules of Procedure

KATANGA MINING LIMITED

AND

ONTARIO SECURITIES COMMISSION

File No. 2025-12

Adjudicator: M. Cecilia Williams (chair of the panel)

September 4, 2025

ORDER
(Section 17 of the of the *Securities Act,*
RSO 1990, c S.5, subsection 2(2) of the
Tribunal Adjudicative Records Act, *2019*, SO 2019, c 7,
Sched 60, and Rule 8 of the *Rules of Procedure*)

WHEREAS on August 20, 2025, the Capital Markets Tribunal held a confidential hearing by videoconference regarding the scheduling of an application brought by Katanga Mining Limited for an order permitting Katanga to disclose certain information pursuant to s. 17 of the *Securities Act*;

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

IT IS ORDERED THAT:

1. the Commission shall serve and file its responding affidavit(s) by 4:30 p.m. on September 2, 2025;

2. Katanga shall serve and file its written submissions by 4:30 p.m. on September 12, 2025;

3. the Commission shall serve and file its responding written submissions by 4:30 p.m. on October 3, 2025;

4. the merits hearing of the application is scheduled for November 11, 2025, at 10:00 a.m., by videoconference, or on such other date or time as may be agreed to by the parties and set by the Governance & Tribunal Secretariat;

5. pursuant to rule 8(2) of the *Rules of Procedure*, the merits hearing of the application shall be held in the absence of the public;

6. pursuant to rule 8(4) of the *Rules of Procedure*, all materials filed in connection with the application are marked as confidential and shall not be made available to the public, except as provided for in paragraphs 7 and 8 of this order and subject to further order of the Tribunal;

7. all materials filed in connection with the application may be shared with

a. Shaun Teichner – General Counsel, Glencore;

b. Sarah Steece – Counsel, Glencore;

c. any member or members of Clifford Chance LLP, Glencore's external legal counsel in the United Kingdom, or its barrister team, who Clifford Chance LLP determines require authorization to review the materials, and who have signed and delivered acknowledgements to the Commission that they are bound by the confidentiality provisions of section 16 of the *Act*; and

8. this order shall be made available to the public.

"M. Cecilia Williams"

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B. Ontario Securities Commission

B.2
Orders

B.2.1 Bitcoin Treasury Corporation – s. 1(11)(b)

Headnote

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

Statutes Cited

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

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

AND

IN THE MATTER OF
BITCOIN TREASURY CORPORATION
(the Applicant)

ORDER
(Paragraph 1(11)(b))

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

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

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

1. The Applicant is a corporation formed on June 23, 2025, under the *Business Corporations Act* (Alberta) pursuant to an amalgamation between 2680083 Alberta Ltd., a reporting issuer in the Province of British Columbia and the Province of Alberta, and Bitcoin Treasury Corporation (pre-amalgamated entity).

2. The Applicant or its predecessors have been a reporting issuer under the *Securities Act* (British Columbia) (the **BC Act**) since December 17, 2021 and under the *Securities Act* (Alberta) (the **Alberta Act**) since December 17, 2021.

3. The Applicant's current principal regulator is the Alberta Securities Commission.

4. The Applicant's head office is currently in Toronto, Ontario. The majority of the directors of BTCT and the Chief Executive Officer of BTCT reside in Ontario.

5. The authorized share capital of BTCT consists of an unlimited number of common shares and an unlimited number of preferred shares, issuable in series, of which 10,075,080 common shares were issued and outstanding as at July 31, 2025.

6. The common shares are listed on the TSX Venture Exchange (the **Exchange**) under the trading symbol "BTCT". The common shares are not listed on any other stock exchange.

7. The Applicant is not in default of any of the rules, regulations or policies of the Exchange.

8. The Applicant does not appear on the lists of defaulting reporting issuers maintained pursuant to the BC Act or the Alberta Act and is not in default of any requirement of either the BC Act or the Alberta Act or the rules and regulations made under either statute.

9. The materials filed by BTCT under the BC Act and Alberta Act are available on SEDAR+.

10. The continuous disclosure requirements of the BC Act and the Alberta Act are substantially the same as the continuous disclosure requirements under the Act.

11. Pursuant to the policies of the Exchange, a listed issuer, which is not otherwise a reporting issuer in Ontario, must assess whether it has a "Significant Connection to Ontario" (as defined in Policy 1.1 of the TSX Venture Exchange Corporate Finance Manual) and, upon becoming aware that it has a Significant Connection to Ontario, promptly make a bona fide application to the Commission to be designated a reporting issuer in Ontario.

12. The Applicant has determined that it has a Significant Connection to Ontario in that BTCT's mind and management are principally located in Ontario and over 10% of BTCT's total number of equity securities are beneficially owned by persons resident in Ontario.

13. There have been no penalties or sanctions imposed against the Applicant by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority, the Applicant has not entered into a settlement agreement with a Canadian securities regulatory authority and the Applicant has not been subject to any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor making an investment decision.

14. No director or officer of the Applicant, nor any shareholder of the Applicant holding sufficient securities of the Applicant to materially affect the control of the Applicant has:

    (a) been subject to any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority or has entered into a settlement agreement with a Canadian securities regulatory authority; or

    (b) been subject to any other penalties or sanctions imposed by a court or regulatory body that would be likely to be considered important to a reasonable investor making an investment decision.

15. No director or officer of the Applicant, nor the Applicant, nor any shareholder of the Applicant holding sufficient securities of the Applicant to materially affect the control of the Applicant is or has:

    (a) been the subject of any known ongoing or concluded investigation by: (i) a Canadian securities regulatory authority; or (ii) a court or regulatory body, other than a Canadian securities regulatory authority, that would be likely to be considered important to a reasonable investor making an investment decision; or

    (b) been the subject of any bankruptcy or insolvency proceedings, or other proceedings, arrangements or compromises with creditors, or the appointment of a receiver, receiver-manager or trustee, within the preceding 10 years.

16. Except as noted below, no directors or officers of the Applicant, nor any shareholder of the Applicant holding sufficient securities of the Applicant to materially affect the control of the Applicant, has been at the time of such event, a director or officer of any other issuer which is or has:

    (a) been subject to any cease trade order or similar order, or order that denied access to any exemptions under Ontario securities laws, for a period of more than 30 consecutive days, within the preceding 10 years; or

    (b) been subject to any bankruptcy or insolvency proceedings, or other proceedings, arrangements or compromises with creditors, or the appointment of a receiver, receiver-manager or trustee, within the preceding 10 years.

    From January 31, 2022 to March 24, 2022, DMG Blockchain Solutions Inc., a company for which Heather Sim was CFO, was subject to a management cease trade order, as a result of the delay in filing financial statements for the financial year ended September 30, 2021, the related management discussion and analysis and the certification of annual filings. The management cease trade order was lifted on March 24, 2022.

17. After the Applicant becomes a reporting issuer in Ontario, the Commission will be the Applicant's principal regulator.

18. Upon granting of this order, the Applicant will amend its SEDAR+ profile indicating that the Commission is its principal regulator.

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

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

DATED at Toronto on this 2nd day of September, 2025.

“David Surat”
Associate Vice President, Corporate Finance
Ontario Securities Commission

OSC File #: 2025/0410

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B.3
Reasons and Decisions

B.3.1 Northleaf Capital Partners (Canada) Ltd.

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Relief from subsection 13.5(2)(b) of National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations to permit a one-time interest transfers between private funds under common management, subject to conditions.

Applicable Legislative Provisions

National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations, ss. 13.5 and 15.1.

August 28, 2025

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

AND

IN THE MATTER OF
NORTHLEAF CAPITAL PARTNERS (CANADA) LTD.
(the Filer)

DECISION

Background

The securities regulatory authority in the Jurisdiction (the **Principal Regulator**) has received an application from the Filer for a decision under the securities legislation of the Jurisdiction (the **Legislation**) for an exemption from the prohibitions in subsection 13.5(2)(b) of National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations* (**NI 31-103**) which prohibit a registered adviser from knowingly causing an investment portfolio managed by it, including an investment fund for which it acts as an adviser, to purchase or sell a security from or to the investment portfolio of an investment fund for which a responsible person acts as an adviser, in order to permit the Existing Fund (as defined below) to sell securities to:

(a) the New Fund (as defined below), which will also be managed by the Filer; and

(b) the Purchaser Funds (as defined below), each of which may be managed by the Filer

(the **Relief Sought**).

Interpretation

Terms defined in National Instrument 14-101 *Definitions* and NI 31-103 have the same meaning if used in this decision, unless otherwise defined. The following terms have the following meanings:

Clients means the sole investors in the Existing Fund, being pension plans maintained for the benefit of employees of a Canadian financial institution that are managed by that financial institution;

Existing Fund means the limited partnership in which the Clients are the sole limited partner and the Filer is the general partner, which is managed by the Filer;

NAV Record Date means the record date for the valuation attributable to the Third-Party Fund Interests by the managers of the respective funds, which has been agreed by the Clients and the Filer to be September 30, 2024;

New Fund means the fund to be formed to purchase Third-Party Fund Interests from the Existing Fund, the investors in which will be exclusively sophisticated institutional investors that qualify as accredited investors pursuant to National Instrument 45-106 *Prospectus Exemptions* and section 73.3 of the *Securities Act* (Ontario) (**Accredited Investors**);

New Purchasers means sophisticated institutional investors that qualify as Accredited Investors identified by an independent dealer engaged by the Filer to acquire Third-Party Fund Interests, who may hold those interests directly or through one or more Purchaser Funds;

Purchaser Funds means one or more funds that may be established by the Filer at the request of the New Purchasers to facilitate the acquisition, holding and administration of the Third-Party Fund Interests acquired by the New Purchasers (and together with the Existing Fund and the New Fund, the **Funds**); and

Third-Party Fund Interests means a portion of the portfolio investments of the Existing Fund, consisting of private equity vehicles, commonly considered to be traditional buy-out type private equity funds, that are sponsored and managed by entities that are not affiliated with the Filer. These vehicles are not considered "investment funds" within the meaning of the *Securities Act* (Ontario), nor within the scope contemplated by the commentary in Companion Policy 31-103CP *Registration Requirements, Exemptions and Ongoing Registrant Obligations*.

Representations

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

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

2. The Filer is a global private markets investment firm with more than US$28 billion in private equity, private credit and infrastructure commitments raised on behalf of more than 300 public, corporate and multi-employer pension plans, endowments, foundations, financial institutions and family offices.

3. The Filer is registered as: (i) an investment fund manager in Ontario, Manitoba, and Quebec, (ii) a portfolio manager in Ontario, Manitoba, and Alberta, and (iii) an exempt market dealer in Ontario, Quebec, Saskatchewan, Newfoundland and Labrador, Manitoba, British Columbia, and Alberta.

4. The Filer is, or will be, the portfolio manager and investment fund manager of the Existing Fund and the New Fund and may be the portfolio manager and investment fund manager of one or more Purchaser Funds.

5. Each of the Funds is or will be formed as a limited partnership or other legal entity and is not or will not be a reporting issuer in any of the provinces and territories of Canada.

6. The securities of the Existing Fund were distributed to the Clients on a private placement basis pursuant to available prospectus exemptions.

7. None of the Existing Fund, the New Fund or the Purchaser Funds is or will be subject to National Instrument 81-102 *Investment Funds*.

8. The Existing Fund holds a portfolio of private equity investments including the Third-Party Fund Interests and minority investments in private companies alongside other private equity funds (each a **Co-Investment**).

9. The trades from Existing Fund to the New Fund or a Purchaser Fund (the **Inter-Fund Trades**) will only include Third-Party Fund Interests; no Co-Investments will be sold as part of the Inter-Fund Trades.

10. The Filer and the Funds are not in default of securities legislation in any of the provinces and territories of Canada.

11. Each of the New Fund and the Purchaser Funds will be established primarily for the purposes of acquiring the Third-Party Fund Interests, and investors in the New Fund and the Purchaser Funds will make their investment decision with knowledge of the proposed investments and the background to the Inter-Fund Trades.

12. Investors in the New Fund and the Purchaser Funds (other than a fund's general partner or any other affiliates, employees or related persons thereof investing directly or indirectly in such fund, if any) will exclusively be sophisticated institutional investors capable of assessing the proposed investment in the Third-Party Fund Interests and the fairness of the valuations of the Third-Party Fund Interests provided by their respective managers.

13. The pricing of the Inter-Fund Trades of the Third-Party Fund Interests will be established with reference to the net asset value attributable to the Third-Party Fund Interests as of the NAV Record Date (with an adjustment for post-NAV Record Date cash flows), as determined by the managers of the respective funds, which managers are not affiliated with the Filer.

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 Relief Sought is granted provided that:

1. The Filer obtains the prior written consent of the Clients of the Existing Fund before it engages in the Inter-Fund Trades in connection with the sale of Third-Party Fund Interests held by the Existing Fund and such consent has not been revoked;

2. The New Fund and the Purchaser Funds would, at the time of payment, be permitted to purchase the Third-Party Fund Interests held by the Existing Fund;

3. The purchase of the Third-Party Fund Interests is consistent with the New Fund's and the Purchaser Funds' investment objectives;

4. All investors in the New Fund and the Purchaser Funds are sophisticated institutional investors that qualify as accredited investors under National Instrument 45-106 *Prospectus Exemptions* and section 73.3 of the *Securities Act* (Ontario);

5. The consideration paid to the Existing Fund for the Third-Party Fund Interests by the New Fund and the Purchaser Funds is established with reference to the net asset value attributable to the Third-Party Fund Interests as of the NAV Record Date (with an adjustment for post-NAV Record Date cash flows);

6. The valuation of the Third-Party Fund Interests is determined by the unaffiliated managers of the respective funds, which managers are not affiliated with the Filer, in accordance with applicable fund governing documents and using recognized accounting standards, and is supported by (i) quarterly and annual reporting received by the Filer from such managers, and (ii) a review of those valuations as part of the Filer's year-end financial audit, conducted by an independent audit firm;

7. The Filer provides disclosure to the Clients and each investor in the New Fund and the Purchaser Funds setting out the details of the Third-Party Fund Interests and the valuations provided by their respective managers; and

8. The Filer does not receive any consideration for the sale or purchase of the Third-Party Fund Interests, with the only incremental amounts payable by the Existing Fund, the New Fund or the Purchaser Funds being any applicable transfer taxes or administrative fees or charges payable to the respective third-party managers or their legal counsel in connection with the transfers of the Third-Party Fund Interests.

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

Application File #: 2025/0451

B.3.2 Harvest Portfolios Group Inc. et al.

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – exchange traded mutual funds granted exemption from the concentration restriction in subsections 2.1(1) and 2.1(1.1) of NI 81-102 to permit exchange-traded funds to invest in accordance with its fundamental investment objective of seeking to provide the unitholders with long-term capital appreciation through the purchasing and holding TSX or Cboe listed and traded equity securities of a single Canadian public issuer specified in the exchange traded fund's investment objectives, including by using leverage in accordance with NI 81-102, and high monthly cash distributions, subject to conditions.

Applicable Legislative Provisions

National Instrument 81-102 Investment Funds, ss. 2.1(1), 2.1(1.1) and 19.1.

August 15, 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
HARVEST PORTFOLIOS GROUP INC.
(the Filer)

AND

IN THE MATTER OF
HARVEST AGNICO EAGLE ENHANCED HIGH INCOME SHARES ETF,
HARVEST BCE ENHANCED HIGH INCOME SHARES ETF,
HARVEST CAMECO ENHANCED HIGH INCOME SHARES ETF,
HARVEST CNQ ENHANCED HIGH INCOME SHARES ETF,
HARVEST ENBRIDGE ENHANCED HIGH INCOME SHARES ETF,
HARVEST ROYAL BANK ENHANCED HIGH INCOME SHARES ETF,
HARVEST SHOPIFY ENHANCED HIGH INCOME SHARES ETF,
HARVEST SUNCOR ENHANCED HIGH INCOME SHARES ETF,
HARVEST TD BANK ENHANCED HIGH INCOME SHARES ETF,
HARVEST TELUS ENHANCED HIGH INCOME SHARES ETF
(the Harvest Enhanced ETFs and similar future ETFs managed by the Filer
(the Future ETFs, collectively with the Harvest Enhanced ETFs, the ETFs))

DECISION

Background

The principal regulator in the Jurisdiction has received an application from the Filer on behalf of the ETFs for a decision under the securities legislation of the Jurisdiction of the principal regulator (the **Legislation**) exempting the ETFs from subsections 2.1(1) and 2.1(1.1) of National Instrument 81-102 *Investment Funds* **(NI 81-102**) (the **Concentration Restriction**) to permit each ETF to invest in a single Specified Canadian Public Issuer (as defined below) in excess of the investment restrictions contained in such subsections, in accordance with its fundamental investment objective (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 other than the Jurisdiction (together with the Jurisdiction, the **Canadian Jurisdictions**).

Interpretation

Terms defined in National Instrument 14-101 *Definitions* (**NI 14-101**), National Instrument 41-101 *General Prospectus Requirements* (**NI 41-101**) or in NI 81-102 have the same meaning if used in this decision unless otherwise defined herein:

Designated Broker means a registered dealer that has entered, or intends to enter, into an agreement with the Filer to perform certain duties in relation to the ETF, including the posting of a liquid two-way market for the trading of the ETF Securities on an Exchange or another Marketplace.

ETF Security means an exchange-traded unit or share of an ETF.

Exchange means the TSX or Cboe Canada Inc., as applicable.

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

Portfolio Securities means, in relation to an ETF, the securities of a Specified Canadian Public Issuer in which the ETF invests.

Prospectus means the prospectus of each ETF.

Public Issuer Requirements has the meaning ascribed to such term in the definition of **Specified Canadian Public Issuer**.

Specified Canadian Public Issuer means a public company (i) that is incorporated in a Canadian Jurisdiction; (ii) that is listed on a recognized Canadian stock exchange; (iii) that has a market capitalization in excess of $20 billion at the time of initial investment; (iv) and whose Portfolio Securities have an average daily trading volume in the month before the date that the ETF Securities are listed on an Exchange in excess of $75 million (collectively, the **Public Issuer Requirements**).

Securityholders means the beneficial or registered holders of ETF Securities.

TSX means the Toronto Stock Exchange.

Representations

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

The Filer and the ETFs

1. The Filer is a corporation incorporated under the laws of the Province of Ontario, with its head office located at 610 Chartwell Road, Suite 204 in Oakville, Ontario.

2. The Filer is registered as an investment fund manager and portfolio manager in the province of Ontario and as an investment fund manager in the provinces of Newfoundland and Labrador and Québec.

3. The Filer, or an affiliate of the Filer, will be the registered investment fund manager and registered portfolio manager of the ETFs. The Filer will apply to list the ETF Securities of the ETFs on an Exchange.

4. The Filer and the Harvest Enhanced ETFs are not in default of securities legislation in any of the Canadian Jurisdictions.

5. Each of Harvest Agnico Eagle Enhanced High Income Shares ETF, Harvest BCE Enhanced High Income Shares ETF, Harvest Cameco Enhanced High Income Shares ETF, Harvest CNQ Enhanced High Income Shares ETF, Harvest Enbridge Enhanced High Income Shares ETF, Harvest Royal Bank Enhanced High Income Shares ETF, Harvest Shopify Enhanced High Income Shares ETF, Harvest Suncor Enhanced High Income Shares ETF, Harvest TD Bank Enhanced High Income Shares ETF and Harvest TELUS Enhanced High Income Shares ETF will be an open-ended alternative mutual fund (as defined in NI 81-102).

6. The ETFs will be subject to NI 81-102, subject to any exemptions that may be granted by the applicable securities regulatory authorities.

7. The Filer will file a final long form prospectus in respect of each of the ETFs which will be prepared and filed in accordance with NI 41-101 or National Instrument 81-101 – *Mutual Fund Prospectus Disclosure,* subject to any exemptions that may be granted by the applicable securities regulatory authorities.

8. Each ETF will be a reporting issuer under the laws of one or more of the Canadian Jurisdictions.

9. The ETF Securities will be (subject to satisfying the original listing requirements of the applicable Exchange) listed on an Exchange.

10. Designated Brokers will act as intermediaries between investors and the ETFs, performing a market-making function, including by standing in the market with bid and ask prices for the ETF Securities to maintain a liquid market for the ETF Securities. The majority of trading in ETF Securities will occur in the secondary market.

11. The fundamental investment objective of each Harvest Enhanced ETF will be to seek to provide:

    (a) long-term capital appreciation through investing, on a levered basis, in the Portfolio Securities; and

    (b) high monthly cash distributions.

12. Specifically, the Portfolio Securities and the Specified Canadian Public Issuer for each of the Harvest Enhanced ETFs will be as follows:

ETF Name	Portfolio Securities	Specified Canadian Public Issuer
Harvest Agnico Eagle Enhanced High Income Shares ETF	Common Shares	Agnico Eagle Mines Limited
Harvest BCE Enhanced High Income Shares ETF	Common Shares	BCE Inc.
Harvest Cameco Enhanced High Income Shares ETF	Common Shares	Cameco Corporation
Harvest CNQ Enhanced High Income Shares ETF	Common Shares	Canadian Natural Resources Limited
Harvest Enbridge Enhanced High Income Shares ETF	Common Shares	Enbridge Inc.
Harvest Royal Bank Enhanced High Income Shares ETF	Common Shares	Royal Bank of Canada
Harvest Shopify Enhanced High Income Shares ETF	Class A Subordinate Voting Shares	Shopify Inc.
Harvest Suncor Enhanced High Income Shares ETF	Common Shares	Suncor Energy Inc.
Harvest TD Bank Enhanced High Income Shares ETF	Common Shares	The Toronto-Dominion Bank
Harvest TELUS Enhanced High Income Shares ETF	Common Shares	TELUS Corporation

13. Each ETF will use a ticker symbol that the Filer believes is unlikely to be confused with the ticker symbol for the Portfolio Securities and the Specified Canadian Public Issuer for the ETF.

14. The distribution of ETF Securities (the **Distribution**) will be conducted without the knowledge or consent of the Specified Canadian Public Issuers and the Filer, as a general matter, will not have direct knowledge or access to material information regarding the Specified Canadian Public Issuers or Portfolio Securities other than publicly available information.

Disclosure

15. The Prospectus will disclose:

    (a) the name of each ETF using the convention reflected in this decision for the Harvest Enhanced ETFs;

    (b) the investment objective and investment strategy of each ETF as well as the risk factors associated therewith, including concentration risk;

    (c) the fact that the ETF has obtained the Exemption Sought to permit the purchase of the Portfolio Securities on the terms described in this decision;

(d) the ways in which, and the extent to which, purchasing and holding the ETF Securities can be expected to be different from directly purchasing and holding the Portfolio Securities and the factors influencing these differences (such as the ETF's cash-borrowing and option-writing strategies), including in respect of performance, returns and securityholder rights;

(e) that the ETF's investment in the Portfolio Securities will be a passive investment; and

(f) the Filer's specific policies and procedures for making proxy voting and tender decisions in respect of the Specified Canadian Public Issuer and the expected outcomes for the ETF of such decisions in potential scenarios, such as merger or other restructuring of the Specified Canadian Public Issuer, a sale of part or all of its business, or bankruptcy of the Specified Canadian Public Issuer and other scenarios.

(g) prominently a statement substantially similar to the following:

Investors investing, or considering investment, in an ETF (which invests in a single underlying corporate issuer) should consider their ongoing obligations with respect to insider trading, insider reporting, and take-over bids under the Ontario Securities Act (the Act) or other relevant securities legislation and National Instruments and as explained in National Policies. Securities regulators may take the view that these provisions extend to the purchase and sale of securities of ETFs that invest in securities of a single issuer, including on a look-through basis.

For example:

- *Under section 76(1) of the Act, individuals or entities in a special relationship with an issuer are prohibited from purchasing or selling securities of that issuer with knowledge of a material fact or material change that has not been generally disclosed. Securities regulators may take the view that this prohibition extends to the purchase and sale of securities of ETFs that invest in securities of a single issuer;*
- *Securities regulators may take the view that the insider reporting requirements in section 107 of the Act apply in respect of purchases of securities of ETFs that invest in securities of a single issuer; and*
- *Where ETF units are redeemable for securities of the ETF's single underlying issuer, securities regulators may consider those ETF units convertible securities under section 1.7 of National Instrument 62-104 Take-Over Bids and Issuer Bids (NI 62-104) that count, on a post conversion-basis in respect of the underlying issuer, towards the early warning reporting thresholds in Part 5 of NI 62-104*

Investors are strongly encouraged to seek legal advice or consult with their compliance officers to fully understand their insider trading, insider reporting, and take-over bids obligations and how they relate to investment in these ETFs. Failure to comply with these obligations may result in regulatory scrutiny and enforcement actions. Purchasing a single-issuer ETF is not equivalent to holding the securities of the underlying issuer directly; investors may not have the same rights and may be subject to additional risks, as further referenced in this prospectus.

16. The Prospectus will provide only abbreviated disclosure in respect of the Portfolio Securities and the Specified Canadian Public Issuer based on publicly available information.

17. The Filer intends to meet the full, true and plain disclosure requirement of the Legislation in connection with the ETF Securities without having responsibility for the accuracy of disclosure issued by the Specified Canadian Public Issuer in respect of the Portfolio Securities. The Prospectus will direct investors to public disclosure made available by the Specified Canadian Public Issuer in respect of the Portfolio Securities in accordance with applicable legislation. The Prospectus will also clarify that such disclosure and other information made publicly available about the Portfolio Securities and the Specified Canadian Public Issuer on the Filer's website and otherwise cannot be expected to contemplate the Distribution.

18. The Prospectus will clearly state that the Filer is not the source of disclosure relating to the Portfolio Securities and the Specified Canadian Public Issuer and will clearly disclaim the Filer's responsibility both for verifying the accuracy of such disclosure and for updating such disclosure.

19. To meet the full, true and plain disclosure requirement, the Prospectus will disclose that the Specified Canadian Public Issuer will not receive a direct or indirect financing benefit from the Distribution.

Reasons for the Exemption Sought

20. The ETFs cannot pursue their fundamental investment objectives without the Exemption Sought.

21. The Filer submits that each ETF's strategy to acquire Portfolio Securities will be transparent, passive and fully disclosed to investors. An ETF will not invest in securities other than Portfolio Securities.

22. The Filer submits that an ETF that relies on the Exemption Sought would be analogous to an investment fund that relies on the exception to the Concentration Restriction in subsection 2.1(2) of NI 81-102 for purchases of equity securities by a "fixed portfolio investment fund", as defined in NI 81-102, in accordance with its investment objectives. The Filer submits that the only difference would be that the ETFs are in continuous distribution and the ETF Securities are redeemable on each trading day, accordingly, the ETFs will buy and sell Portfolio Securities as may be required in connection with subscription and redemption requests received by the ETF. However, the Filer submits that the existence of the ETF's Designated Broker should mean that the ETF Securities (which are listed on an Exchange) will not trade at a discount to the net asset value per ETF Security which may more likely be the case for a "fixed portfolio investment fund".

23. The Specified Canadian Public Issuers will be among the largest public issuers in Canada. The Portfolio Securities will be some of the most liquid equity securities listed on a recognized Canadian exchange and will be less likely to be subject to liquidity concerns than the securities of other issuers.

24. The Filer believes that any risks associated with an investment in only a single Specified Canadian Public Issuer in reliance on the Exemption Sought will be mitigated by the fact that the Portfolio Securities are highly liquid and that there is a robust liquid options market for these securities.

25. The Filer submits that, given the market price per publicly listed security of some of the Specified Canadian Public Issuers, many investors would be unable to achieve meaningful exposure to these Specified Canadian Public Issuers through direct investment.

Decision

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

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

(a) but for the fact that ETF Securities may be subscribed for or redeemed on each trading day (i.e. the ETFs being in continuous distribution), the ETF otherwise meets the definition of "fixed portfolio investment fund" in NI 81-102;

(b) any purchase by the ETF of the Portfolio Securities is in accordance with the investment objectives of the ETF;

(c) at the time that the ETF Securities are listed on an Exchange, the Specified Canadian Public Issuer and its Portfolio Securities satisfy the Public Issuer Requirements;

(d) the ETF will not purchase Portfolio Securities if the ETF would, as a result of such purchase, become an insider of the Specified Canadian Public Issuer;

(e) the ETF's prospectus contains the disclosure referred to in representations 15 through 19 above; and

(f) the Filer will not permit the ETFs to be used as a financing vehicle by a Specified Canadian Public Issuer or to permit an indirect offering of Portfolio Securities into a jurisdiction of Canada.

(g) no ETF will inter-list in the United States of America or any other foreign Marketplace; and

(h) no ETF will purchase securities of the Specified Canadian Public Issuer, if immediately following such purchase, the ETF would hold securities of the Specified Canadian Public Issuer in an amount exceeding 1% of the Specified Canadian Public Issuer's total market capitalization.

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

Application File #: 2024/0521
SEDAR+ File #: 6181173

B.3.3 Canadian Imperial Bank of Commerce

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – amended and restated relief to permit issuer to distribute Canadian depositary receipts of U.S., European and Japanese underlying issuers qualified by base shelf prospectus and prospectus supplement to investors through the facilities of a marketplace – relief from prospectus delivery requirement in section 71 of the Securities Act (Ontario) and related two-day right of withdrawal and remedies of rescission or damages for non-delivery of the prospectus and related prospectus form requirements – relief from the requirement in section 7.1 of NI 41-101 to distribute securities under a prospectus at a fixed price and the requirement in section 8.1 NI 44-102 to file a pricing supplement – relief from requirement in section 59 of the Securities Act to provide an underwriter's certificate – relief from the requirements in NI 51-102 to deliver continuous disclosure documents that no specified firm registrant shall act as a direct underwriter in a distribution of securities of a connected issuer of the specified firm and that no specified firm registrant shall act as a direct underwriter of a related issuer of the specified firm registrant – relief from section 2.2 of OSC Rule 48-501 that prohibits issuer-restricted persons from purchasing CDRs over a marketplace during the period of the offering – subject to conditions – relief will terminate upon the coming into force of any legislation regulating Canadian depositary receipts.

Applicable Legislative Provisions

Securities Act (Ontario), R.S.O. 1990, c. S.5, as am., ss. 59(1), 71(1), 71(2), 133, 144 and 147.
National Instrument 33-105 Underwriter Conflicts Requirements, ss. 2.1(1), 2.1(2) and 5.1(1).
National Instrument 41-101 General Prospectus Requirements, ss. 5.9, 7.2, 8.2 and 19.1.
National Instrument 44-101 Short Form Prospectus Distributions, s. 8.1; and Item 20 of Form 44-101F1.
National Instrument 44-102 Shelf Distributions, ss. 5.5(2) and 5.5(3); 6.7, 8.1 and 11.1.
National Instrument 51-102 Continuous Disclosure Obligations, ss. 4.6 and 5.6.
OSC Rule 48-501 Trading during Distributions, Formal Bids, and Share Exchange Transactions, ss. 2.2 and 5.1.

September 3, 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
CANADIAN IMPERIAL BANK OF COMMERCE
(the Filer)

DECISION

Background

Previous Decision

In 2024, the Filer made an application to the Ontario Securities Commission (the **Commission**) under the securities legislation of the Jurisdiction of the principal regulator and obtained from the Commission, as the principal regulator, a decision In the Matter of Canadian Imperial Bank of Commerce dated January 15, 2025 (the **Previous Decision**) providing relief from the Prospectus Delivery Requirement, the Underwriter's Certificate Requirement, the Pricing Requirements, the Prospectus Form Requirements, the 51-102 Delivery Requirements, the Distribution Time Limit, the Connected Issuer Requirement, the Independent Underwriter Requirement and the 48-501 Purchasing Restrictions (as such terms are defined below), subject to certain terms and conditions.

The Filer has made an application to the Commission to amend and restate the Previous Decision in order to reflect, among other things, revisions to the CDR Issuance Standards to permit the Filer to offer CDRs (as defined below) in respect of Underlying Shares (as defined below) of issuers incorporated or formed in certain global jurisdictions and to enhance continuous disclosure obligations related to assurance and periodic performance reporting in connection with the CDR program.

Relief Sought

The principal regulator in the Jurisdiction has received an application from the Filer for a decision under the securities legislation of the Jurisdiction of the principal regulator (the **Legislation**) for the following relief (the **Relief Sought**):

(a) that the requirements to deliver to the purchaser or its agent the latest prospectus (including applicable prospectus supplements) and any amendment to the prospectus in respect of CDRs (as defined below) that are being distributed (the **Prospectus Delivery Requirement**) do not apply to the Filer or any other person in respect of CDR Distributions (as defined below) conducted on a regulated Canadian marketplace; and related purchaser rights to withdraw from the purchase and sale transaction (**Withdrawal Right**) and any purchaser right of action for rescission or damages (**Right of Action for Non-Delivery**) if the Prospectus Delivery Requirement is not fulfilled or the relevant rescission period has not elapsed do not apply in respect of CDR Distributions conducted on a regulated Canadian marketplace;

(b) that the requirement in section 7.2 of National Instrument 41-101 *General Prospectus Requirements* (**NI 41-101**) to distribute securities under a prospectus at a fixed price and the requirement in section 8.1 of National Instrument 44-102 *Shelf Distributions* (**NI 44-102**) to file a pricing supplement in order to distribute securities under a base shelf prospectus by way of a continuous distribution (the **Pricing Requirements**) do not apply in respect of the CDR Distributions;

(c) that the following prospectus form requirements (collectively, the **Prospectus Form Requirements**) do not apply to the Shelf Prospectus (as defined below), any Prospectus Supplement (as defined below) or an amendment thereto:

  (i) subsection 5.5(2.) and 5.5(3.) of NI 44-102, which each require the inclusion in a base shelf prospectus of statements specified therein related to the delivery to purchasers of one or more applicable prospectus supplements; and

  (ii) the prospectus form requirement that a statement respecting purchasers' statutory rights of withdrawal and remedies of rescission or damages in substantially the form prescribed by Item 20 of Form 44-101F1 *Short Form Prospectus* (**Form 44-101F1**) be included in the prospectus;

  provided that the Filer includes in the Shelf Prospectus or an amendment thereto the revised description set out below of a purchaser's statutory rights of withdrawal and remedies for rescission or damages;

(d) exemptive relief from the requirement to identify each underwriter and to include a certificate of an underwriter in the Shelf Prospectus or any Prospectus Supplement for a Series of CDRs (or any amendments or supplements thereto) (the **Underwriter's Certificate Requirement**), provided that the alternative disclosure described below is provided;

(e) that the requirements pursuant to section 4.6 of National Instrument 51-102 *Continuous Disclosure Obligations* (**NI 51-102**) to deliver annual financial statements, interim financial reports and the related management's discussion and analysis to registered holders and beneficial owners of the Filer's securities (the **51-102 Delivery Requirements**) do not apply to the Filer in respect of registered holders and beneficial owners of CDRs;

(f) that the requirements pursuant to section 8.2 of NI 41-101 to cease distribution after a specified period of time (not to exceed 180 days from the date of receipt for the final prospectus) if securities are being distributed on a best efforts basis (the **Distribution Time Limit**) does not apply in respect of CDR Distributions;

(g) that the requirement pursuant to section 2.1(1) of National Instrument 33-105 *Underwriting Conflicts* (**NI 33-105**) that no specified firm registrant shall act as a direct underwriter in a distribution of securities of a connected issuer or a related issuer of the specified firm unless the prescribed disclosure is included in the relevant prospectus (the **Connected Issuer Requirement**) does not apply in respect of CDR Distributions;

(h) that the requirement pursuant to section 2.1(2) of NI 33-105 that no specified firm registrant shall act as a direct underwriter of a related issuer of the specified firm registrant unless certain conditions are satisfied (the **Independent Underwriter Requirement**) does not apply to the Filer or its affiliates in connection with CDR Distributions; and

(i) that the restrictions (the **48-501 Purchasing Restrictions**) imposed by section 2.2 of OSC Rule 48-501 *Trading during Distributions, Formal Bids and Share Exchange Transactions* (**Rule 48-501**) on issuer-restricted persons bidding for or purchasing CDRs or other restricted securities during the period of the Offerings (as defined below) or attempting to induce or cause a purchase of CDRs or other restricted securities (as such terms are defined in Rule 48-501) do not apply in connection with CDR Distributions.

The Filer has applied for revocation of the Previous Decision effective as of the date of this decision.

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

(a) pursuant to subsection 3.6(3)(b) National Policy 11-203 *Process for Exemptive Relief Applications in Multiple Jurisdictions*, as the Filer's head office is located in Ontario, the Commission is the principal regulator for this application;

(b) the Filer has provided notice that, consistent with the relief granted in the Previous Decision, subsection 4.7(1) of Multilateral Instrument 11-102 *Passport System* (**MI 11-102**) is intended to be relied upon in each of British Columbia, Alberta, Saskatchewan, Manitoba, Québec, New Brunswick, Nova Scotia, Prince Edward Island, Newfoundland and Labrador, the Northwest Territories, Nunavut and the Yukon Territory (collectively and together with the Jurisdiction, the **Reporting Jurisdictions**); and

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

Interpretation

Terms defined in National Instrument 14-101 *Definitions*, in National Instrument 13-103 *System for Electronic Data Analysis and Retrieval + (SEDAR+)*, in MI 11-102 or in NI 44-102 have the same meaning if used in this decision, unless otherwise defined herein. References herein to "C$" mean Canadian dollars and references to "US$" mean United States dollars.

Representations

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

The Filer

1. The Filer is a Schedule I bank governed by the *Bank Act* (Canada) that operates as a diversified financial institution directly and through its subsidiaries. The registered and head office of the Filer is located in Toronto, Ontario.

2. The Filer is a reporting issuer or the equivalent under the securities legislation of each Reporting Jurisdiction and is in compliance in all material respects with the applicable requirements of the securities legislation of each Reporting Jurisdiction.

The CDRs

3. The Filer proposes to offer securities of the Filer that are identified as "Canadian Depositary Receipts" (**CDRs**) pursuant to a series of continuous offerings (the **Offerings**).

4. CDRs will be issued in one or more series (each a **Series**), with each Series of CDRs relating to a single class of equity securities (the **Underlying Shares**) of an issuer incorporated or formed outside of Canada (each an **Underlying Issuer**). The Underlying Shares for each Series will be listed for trading in U.S. Dollars or another foreign currency (the **Underlying Currency**) on the principal securities exchange or other trading market for such Underlying Shares identified by the Filer in the related Supplemented Prospectus (as defined below) (the **Primary Trading Market**). **Trading Day** means a Toronto business day that ordinary trading is scheduled to occur on both (i) the primary Canadian securities exchange(s) on which the Filer has decided to list the relevant Series of CDRs as identified for the Series in the related Supplemented Prospectus (each a **Canadian Listing Exchange**), and (ii) the foreign stock exchange which is the Primary Trading Market for the relevant Underlying Shares.

5. Series of CDRs for which the Underlying Issuer is incorporated or formed in the United States and for which the Underlying Shares trade on a U.S. stock exchange in U.S. Dollars are referred to as **U.S. CDRs**. Series of CDRs for which the Underlying Issuer is incorporated or formed outside the United States are referred to as **Global CDRs**.

6. For greater certainty, where Underlying Shares are traded on more than one marketplace, for the purposes of the issuance of a Series of CDRs, the relevant Primary Trading Market will generally be that located in the country in which the Underlying Issuer is incorporated or formed.

7. CDRs are transferrable depositary receipts issued by the Filer and are designed to provide Canadian investors with an efficient alternative to ownership of the Underlying Shares of the Underlying Issuers through Canadian-dollar denominated receipts trading on Canadian markets.

8. Each CDR represents the interest of the holder of the CDR (each a **CDR Holder**) in the pool of Underlying Shares held for the relevant Series (the **Underlying Share Pool** for the Series) in a segregated securities account (the **Custody**

Account) with a specified Custodian (as defined below) pursuant to the terms of a deposit agreement (a **Deposit Agreement**).

9. CDRs will be issued with a notional currency hedge to Canadian dollars. Each CDR's interest in the pool of Underlying Shares represents a beneficial interest in the relevant Underlying Share Pool with entitlements based on an interest in a number of the Underlying Shares equal to the CDR Ratio (as defined below) for the Series, with a notional currency hedge to Canadian dollars.

10. The **CDR Ratio** in respect of a Series of CDRs will be equal to the initial CDR Ratio specified in respect of such Series of CDRs in the applicable Prospectus Supplement, as automatically adjusted from time to time on the terms set out in the applicable Deposit Agreement. The automatic adjustments to the CDR Ratio will provide an embedded daily notional currency hedge of such Underlying Shares' market value in the relevant Underlying Currency into Canadian dollars (each a **Notional FX Hedge**).

11. An investment in the CDRs of a Series is unlikely to produce investment returns that are identical to those of a comparable investment in the related Underlying Shares due to a number of factors, including differences in trading currency, trading characteristics and operating hours and rules of the Primary Trading Market. Further, there may not be a direct correlation between the trading prices of CDRs of a Series and the related Underlying Shares because of potential tracking differences between the securities, arising from the spread embedded in the Notional FX Hedge, differences between short term interest rates in Canada and in the appliable foreign jurisdiction (which introduce a spread between foreign exchange spot rates and foreign exchange forward rates), currency and equity volatility, and the fact that the Notional FX Hedge is determined once daily at the applicable valuation time on each Trading Day. As a consequence of the foregoing factors, the tracking difference over time could be greater than the spread embedded in the notional forward rate in the Notional FX Hedge. Specific disclosure will be included in the Shelf Prospectus and each Supplemented Prospectus that the percentage return of an investment in Canadian dollars in CDRs of a particular Series over a particular time period may be less than the percentage return of an investment in the Underlying Currency in the Underlying Shares over the same time period due to a number of factors.

12. Each Deposit Agreement sets out the terms of the interests and rights of CDR Holders of the applicable Series, including their entitlements to receive dividends and other distributions in respect of Underlying Shares (which is based on the number of CDRs held multiplied by the applicable CDR Ratio) and, upon the surrender and cancellation of CDRs, the right to withdraw Underlying Shares equal to the number of CDRs held multiplied by the applicable CDR Ratio. In view of the different trading and settlement mechanisms and exchange trading hours across different jurisdictions and the time zone differences between Canada and the jurisdiction in which each Primary Trading Market is located, there will be multiple Deposit Agreements governing CDRs of different Series, although their principal terms will be substantially similar.

13. Each CDR represents an equal undivided direct beneficial interest in the relevant Underlying Share Pool. CDR Holders (individually or collectively) do not have any ownership interest in any particular Underlying Shares or number or fraction thereof, and CDR Holders will not be considered to be shareholders of the Underlying Issuer for the purposes of Canadian or U.S. securities laws (or the securities laws of other applicable jurisdictions in respect of Global CDRs). CDR Holders may not have the same statutory rights and remedies under securities legislation as shareholders of the Underlying Issuer. Specific risk factor disclosure will be included in the Shelf Prospectus and each Supplemented Prospectus describing the key differences between holding CDRs and owning shares of the Underlying Issuer directly.

14. In addition to the undivided co-ownership interest represented by all CDRs of a Series, the Filer will also own an undivided co-ownership interest in the Underlying Share Pool for that Series. The Filer, in its capacity as depositary under each Deposit Agreement (the **Depositary**), will deposit Underlying Shares in respect of each Series to the Custody Account pursuant to the applicable Deposit Agreement to acquire its undivided co-ownership interest. Consequently, CDR Holders of a Series and the Filer will be co-owners as tenants-in-common (the **Co-Owners**) of the Underlying Share Pool for each Series, each with undivided co-ownership interests therein.

15. As a result of this undivided co-ownership arrangement, a CDR can be considered a "security" issued by the Filer within the meaning of the Legislation given that it is a "document constituting evidence of title to or interest in the capital, assets, property, earnings or royalties of any person or company".

16. The undivided co-ownership interests in the Underlying Share Pool represented by all CDRs of a Series is referred to as the **CDR Holder Interest** for the Series, and the Filer's undivided co-ownership interest in the Underlying Share Pool is referred to as the **Issuer Interest** for the Series.

Custodial Arrangements

17. For each Series of CDRs, the Underlying Shares deposited under the Deposit Agreement shall be held with one or more custodians (each a **Custodian**) that qualify as "custodians" or "sub-custodians", as applicable, that may be appointed under Part 6 of National Instrument 81-102 *Investment Funds* (**NI 81-102**). It is expected that each qualified Custodian

will hold deposited Underlying Shares and related proceeds (including all cash held for CDR Holders and the Issuer Interest) in a segregated Custody Account separate and apart from the qualified Custodian's own property using an account number or other designation in its records sufficient to show that the securities deposited under the relevant Deposit Agreement are held for the benefit of the CDR Holders for the Series and the Filer. The Custodian is not empowered to enter into transactions on behalf of CDR Holders. Custodians will maintain these positions in the Underlying Shares (directly or indirectly through sub-custodians) through a regulated central securities depository, which in each case will be disclosed in the relevant Supplemented Prospectus for each Series.

18. CIBC Mellon Trust Company (**CIBC Mellon**) is currently the Custodian that has been designated to hold the Underlying Shares for each Series of CDRs, either directly or through qualified sub-custodians that meet the requirements of section 6.3 of NI 81102. CIBC Mellon is a federally regulated financial institution and is supervised by the Office of the Superintendent of Financial Institutions (Canada). As such, it is subject to the professional standards applicable to Canadian custodians. CIBC Mellon is audited by an independent third party and has issued a System and Organization Controls (SOC) 1 Type 2 report in respect of its business process controls and its information technology control objectives and testing.

19. The Filer, the Custodian and CDR Holders from time to time will be parties to the respective Deposit Agreements, which require the Custodian to comply with its standard of care in relation to its custody of the Underlying Shares held in respect of each Series of CDRs. The Deposit Agreements will also require the Custodian to comply with the terms and conditions relating to the maintenance for the benefit of the Co-Owners of each Series of a dedicated securities account to hold all of the Underlying Shares for the Series, which is segregated from the Custodian's own property, and to comply with specified requirements related to the accuracy of information provided with respect to those accounts. CIBC Mellon will provide to the Filer daily reports of its holdings of Underlying Shares, custodied in segregated accounts at CIBC Mellon, which reports will be monitored and reviewed by the Filer's team responsible for overseeing custodial arrangements for the CDRs. There will also be a daily reconciliation undertaken between the trading book of record maintained by the Filer and CIBC Mellon's reports, to confirm the parties' Underlying Share balances for each Underlying Share Pool and to verify that the required balances for each such pool are satisfied. As such, the Filer believes that it will be able to confirm at all times that the number of Underlying Shares in the Underlying Share Pool for a Series of CDRs is equal to the product of (i) the number of outstanding CDRs of that Series, and (ii) the then-applicable CDR Ratio for that Series, plus the then-applicable Issuer Interest.

20. Neither the Filer nor the Custodian will engage in any securities lending, repurchase or reverse repurchase transactions in respect of the Underlying Shares held in the Underlying Share Pools, and accordingly for each Series, the Custody Account for the Series shall hold a pool of Underlying Shares that is equal to the outstanding number of CDRs of the Series times the CDR Ratio for the Series plus a number of Underlying Shares held in respect of the Issuer Interest for the Series.

Offerings and Cancellations of CDRs

21. Each Offering of CDRs of a particular Series will be conducted by the offering and sale of CDRs on a continuous basis through non-fixed-price open-market distributions (**CDR Distributions**) primarily completed on regulated marketplaces (which are expected to include the respective securities exchanges operated by Cboe Canada Inc. and TSX Inc.). Each Offering will be made pursuant to a single base shelf prospectus (the **Shelf Prospectus**) of the Filer that applies to all Series of CDRs, and a separate prospectus supplement containing disclosure specific to Underlying Issuers incorporated or organized in a particular country or countries which describes country-specific matters and other matters specific to the particular Underlying Issuers and Underlying Shares for the relevant Series of CDRs, including disclosure regarding the availability of each Underlying Issuer's disclosure record (each a **Prospectus Supplement**, and the Shelf Prospectus as supplemented by a Prospectus Supplement being referred to as a **Supplemented Prospectus**). For each Offering, the Filer will issue the CDRs to registered dealers purchasing as principals or as agents on behalf of subscribers, and such registered dealers when purchasing as principal are expected to distribute the CDRs on regulated marketplaces but may also complete distributions by private sales.

22. CDRs of a Series can only be created or redeemed in accordance with the terms of the applicable Deposit Agreement, in connection with a deposit or withdrawal of the then-applicable number of Underlying Shares per CDR. Each Series of CDRs may be issued on a continuous basis and there is no minimum or maximum number of CDRs (in the aggregate or with respect to any particular Series) that may be issued.

23. The Filer may enter into various agreements with registered dealers, including CIBC World Markets Inc. (**CIBC WMI**), pursuant to which Dealers may subscribe for and purchase CDRs. All subscriptions for newly issued CDRs from the Depositary must be placed by or through a Dealer. **Dealer** means any registered or exempted securities dealer that is permitted to subscribe for CDRs of any Series.

24. To initiate a subscription for CDRs, a Dealer must confirm the terms of the CDR subscription agreement and specify the number of CDRs of a particular Series (the **Subscription Number**) subscribed for. Subscription requests must be

submitted to the Depositary in advance of a cutoff time specified in the Deposit Agreement (generally, 11:00 a.m.) on the Trading Day the subscription is to take effect (the **Subscription Date**). Once accepted by the Depositary, subscription requests give rise to an irrevocable obligation to deliver on or before 4:00 p.m. on the Trading Day after the Subscription Date (or, for some Series, on the Trading Day two Trading Days after the Subscription Date) (the **Issuance Date**) a number of Underlying Shares equal to the applicable CDR Ratio times the Subscription Number (the **Share Delivery Number**).

25. The CDR Ratio that applies in respect of any subscription is equal to the Trade Date Ratio for the Subscription Date. The **Trade Date Ratio** for any Trading Day (the **Current Trading Day**) is generally equal to the trade date ratio for the immediately preceding Trading Day as adjusted based on the value of the notional FX forward transaction that terminates on the Current Trading Day. If such amount is positive, such amount is notionally invested in additional Underlying Shares, which gives rise to an increase in the Trade Date Ratio, and if such amount is negative, Underlying Shares with a market value equal to the absolute value of such amount are notionally divested, which gives rise to a decrease in the Trade Date Ratio.

26. Pursuant to the Deposit Agreement, the Custodian is responsible to (i) take delivery of Underlying Shares for deposit to the Custody Account in respect of the creation of new CDRs pursuant to a valid subscription, and (ii) to deliver Underlying Shares in respect of the cancellation of outstanding CDRs pursuant to a valid withdrawal request. As provided in each Deposit Agreement, no CDRs of a Series shall be issued unless all conditions precedent set out in the Deposit Agreement (other than the payment of fees if and to the extent waived by the Depositary) have been satisfied, and consequently the Depositary is not permitted to issue CDRs unless the required number of Underlying Shares are actually deposited on a fully settled basis in the Custody Account for the relevant Series (referred to as the **Contractual Restriction**).

27. The Filer confirms that compliance with the Contractual Restriction on issuance of new CDRs is ensured operationally by the permanent standing directions that have been issued to the Custodian and the registrar and transfer agent in respect of the CDRs (the **Transfer Agent**) to the effect that: (1) for each subscription, the Custodian (in its capacity as agent of the Depositary) shall confirm the Underlying Share delivery requirement to the subscriber, the Filer and the Transfer Agent, (2) the Custodian (in its capacity as the Custodian) shall only confirm to the Transfer Agent satisfaction of receipt of the Underlying Shares required to be delivered in respect of a subscription once the Share Delivery Number of Underlying Shares are settled in the Custody Account, and (3) the Transfer Agent shall only issue new CDRs in connection with a subscription once the foregoing confirmations are received from the Custodian.

28. For each Series of CDRs, the Custodian has established processes in place with the Filer and the Transfer Agent to control the release of CDRs. The issuance of CDRs will only occur once the required number of Underlying Shares is delivered to the Custodian, Underlying Shares will only be transferred to a CDR Holder after the CDR Holder has surrendered the corresponding number of CDRs, and the Depositary will only be permitted to withdraw Underlying Shares to the extent the number of Underlying Shares in the Custody Account will continue to exceed the number of CDRs outstanding multiplied by the applicable CDR Ratio. The Custodian will not otherwise transfer, purchase or sell Underlying Shares pursuant to the Deposit Agreements. The procedures through which CDRs are issued follow the well-established operational routines that apply to the issuance of exchange-traded funds (**ETFs**), and CIBC Mellon has used its existing ETF platform to operationalize these procedures for CDR Distributions.

29. The Deposit Agreement subscription provisions provide that in some cases a small portion of the Underlying Shares required to be delivered to the Custody Account by the subscriber are instead delivered to the Custody Account by the Filer on the subscriber's behalf (referred to as the **CIBC Sourced Number of Shares**); and in some cases the subscriber delivers to the Custody Account a number of Shares that exceeds the Subscription Number required to be delivered in respect of the subscription (referred to as the **Excess Deposited Number of Shares**) by a small portion in which case the excess shares are delivered by the subscriber on behalf of the Filer as the Issuer Interest holder (i.e., the Filer as holder of what is effectively a residual interest in excess shares on deposit in the Custody Account). The subscriber is required to pay the Filer for the CIBC Sourced Number of Shares and the Filer is required to pay the subscriber for the Excess Deposited Number of Shares for a market price, as set out in the Deposit Agreement. The Filer, in its capacity as Depositary in respect of the CDR program, does not purchase Underlying Shares except (a) in respect of the Issuer Interest, and (b) to deliver the CIBC Sourced Number of Shares on behalf of subscribers. The Filer does not receive any cash proceeds from CDR Distributions other than in connection with delivery of the CIBC Sourced Number of Shares.

30. CIBC WMI is a wholly-owned subsidiary of the Filer. By virtue of such ownership, the Filer is a "related issuer" and a "connected issuer" of CIBC WMI within the meaning of applicable securities legislation in connection with any offering of CDRs under the Supplemented Prospectus. The Filer is directly managing and taking responsibility for all due diligence and all disclosure in respect of its CDR program, and the Filer bears the program marketing costs. No underwriting fees or commissions will be paid to any Dealer, including CIBC WMI, in connection with the issuance of CDRs.

31. CDR Holders of a Series may irrevocably request to cancel any whole number of CDRs and to withdraw the applicable related Underlying Shares. All such requests to the Filer to cancel CDRs must be placed by or through a Dealer.

Termination of CDRs

32. The Filer has the discretion to terminate any or all Series of CDRs at any time in its sole discretion on not less than 30 days' prior notice, provided, however, that the Filer may terminate any Series of CDRs on not less than three Trading Days' notice if (i) the Underlying Shares of such Series cease to be listed on their Primary Trading Market; (ii) the Series of CDRs is suspended from trading on a Canadian stock exchange; (iii) the number of CDR Holders of the Series of CDRs and/or of other Series of CDRs is such that it is uneconomical for the Filer to continue to offer that Series of CDRs or to offer the CDRs and other Series of CDRs; or (iv) there is a change in law or regulation (including a change of tax law, regulation or administrative position of the Canada Revenue Agency or another domestic or foreign taxation authority) which makes it impractical or uneconomical for the Filer to continue to maintain or offer CDRs, to hold the Issuer Interest, or to operate its CDR business. The Filer will post any such termination notice on the CDR Website (as defined below) and will file a news release in respect of the termination of any Series not less than 15 days, nor more than 90 days, prior to the termination of the applicable Series (or, if the Filer is only required to provide three Trading Days' notice of the termination, not less than two Trading Days, nor more than 90 days, prior to, such termination).

33. The Filer also has discretion to terminate a Series of CDRs without any prior advance notice in certain limited circumstances, including (i) during any period when normal trading is suspended on a stock exchange or other market on which the Underlying Shares are listed and traded; (ii) if at any time it is not possible for the Filer to maintain its Issuer Interest in compliance with the applicable Deposit Agreement; or (iii) if the obligations of the Filer under the applicable Deposit Agreement are uneconomical or raise regulatory, prudential or commercial concerns. In these circumstances, the Filer will promptly post a termination notice for the relevant Series of CDRs on the CDR Website and file a news release in respect of the termination.

34. The Filer will monitor events affecting Underlying Issuers and may consider terminating a Series of CDRs in certain circumstances, such as in the event that an Underlying Issuer is made subject to Canadian or international sanctions or is affected by other matters (such as long-term trading halts based on securities law breaches or an inability to deliver audited financial statements) raising regulatory, prudential or commercial concerns for the Filer as Depositary in respect of the applicable Series of CDRs.

Fees and Expenses

35. No fees or expenses are charged by the Filer to CDR Holders or applied by the Filer to reduce the CDR Ratio upon the issuance of CDRs, and no fees are directly charged by the Filer to CDR Holders while holding CDRs in connection with the administration of the CDR program. The CDR Ratio may be adjusted in accordance with the applicable Deposit Agreement in respect of (i) actual out-of-pocket costs and expenses incurred in connection with the purchases and sales of Underlying Shares for the Underlying Share Pool, and (ii) applicable foreign transaction taxes, withholding taxes or other governmental charges (**Specified Adjustments**). In addition, the Filer may adjust the CDR Ratio as set out in the applicable Deposit Agreement to compensate the Filer for actual out-of-pocket costs and expenses incurred in connection with a Corporate Action (**Specified Corporate Action Expenses**), such adjustment to the CDR Ratio reflecting a reduction in the aggregate value of all outstanding CDRs of the relevant Series by the amount of the relevant Specified Corporate Action Expense. The amount of any Specified Corporate Action Expense shall not exceed 0.10% of the aggregate value of the CDRs of the relevant Series. **Corporate Action** means any event resulting in a distribution of cash, securities or other property by the relevant Underlying Issuer or a third-party to the holders of relevant Underlying Shares (other than an ordinary course dividend payment), a conversion in whole or in part of the relevant Underlying Shares into a different series or class of securities and/or a mandatory, voluntary or elective exchange of all or any part of the relevant Underlying Shares (or any right or entitlement in respect thereof) for other securities, cash and/or other property. The Filer may amend the fees and expenses it charges, or introduce new types of fees and expenses (including, in each case, any change to the adjustments to the CDR Ratio to reflect fees or expenses), for any Series of CDRs upon (i) 30 business days' prior notice posted to the CDR Website, and (ii) disclosure of same in an amendment to or replacement of the Shelf Prospectus or in a Prospectus Supplement at least 30 business days prior to the effective date of such change to fees or expenses (provided that these restrictions shall not apply in respect of any Specified Adjustment). Dealers that subscribe for newly issued CDRs or place a Withdrawal Notice with the Depositary (for themselves or on behalf of a client) may also be charged fees directly by the Depositary in an amount not to exceed 0.20% of the value of the related CDRs. These subscription and cancellation fees do not have any impact on the CDR Ratios applicable to CDRs and they do not apply in respect of purchases or sales of CDRs by CDR Holders on any exchange or other secondary market.

36. The notional forward rate to be used for each new Notional FX Hedge will be a forward rate for an equivalent overnight cash-settled FX forward transaction based on market rates on the relevant Trading Day, as determined by the Filer in its commercially reasonable judgement, provided that the FX forward rate so determined will on average not include a spread of greater than (i) 60 basis points, on an annualized basis, in the case of U.S. CDRs, (ii) 80 basis points, on an annualized basis, in the case of Series of CDRs for which the Underlying Currency is not U.S. dollars, or (iii) such other basis point amount as may be specified in the relevant Supplemented Prospectus (provided that, as indicated above, the

Filer may amend the fees and expenses it charges, or introduce new types of fees and expenses, for any Series of CDRs upon 30 business days' prior notice posted to the CDR Website).

37. Furthermore, to the extent dividends or other amounts are received by the Custodian in respect of Underlying Shares in a foreign currency, the Filer shall convert relevant foreign currency amounts into Canadian dollars on the date of receipt at an exchange rate equal to the Filer's current institutional spot rate at the relevant time of conversion plus a spread in favour of the Depositary of not more than (i) 60 basis points, in the case of U.S. CDRs, (ii) 80 basis points, in the case of Global CDRs, or (iii) such other basis point amount as may be specified in the relevant Supplemented Prospectus (provided that, as indicated above, the Filer may amend the fees and expenses it charges, or introduce new types of fees and expenses, for any Series of CDRs upon 30 business days' prior notice posted to the CDR Website).

38. The Depositary will bear all costs and expenses related to the offering, marketing, listing, administration and management of the CDRs including fees payable to the Custodian and the Transfer Agent. The Depositary also bears the costs of regulatory fees and fees payable to its legal counsel and other advisors.

Disclosure in Respect of CDRs

39. Each Deposit Agreement will be filed by the Filer on SEDAR+ as a material contract.

40. If the Filer elects to commence the Offering of a Series of CDRs, it will immediately do the following:

    (a) file the applicable Prospectus Supplement on SEDAR+;

    (b) issue a news release and a notice on the CDR Website each indicating that the applicable Prospectus Supplements for the Series of CDRs have been filed on SEDAR+ and disclosing where and how copies of the Supplemented Prospectus may be obtained; and

    (c) provide copies of the Shelf Prospectus and the applicable Prospectus Supplements on the CDR Website.

41. The Filer will maintain by way of continuous disclosure a website for the CDR program (the **CDR Website**) on which it will post on each Trading Day for each Series of CDRs:

    (a) the applicable Deposit Agreement;

    (b) the then-applicable CDR Ratio calculated on the immediately preceding Trading Day;

    (c) the current notional forward rate for the Notional FX Hedges;

    (d) the name and jurisdiction of organization of the Underlying Issuer, the ticker of the Underlying Shares, and the name and country of the foreign stock exchange that is the Primary Trading Market of the Underlying Shares;

    (e) all current Prospectus Supplements for the CDRs and all notices provided to CDR Holders in respect of the CDRs; and

    (f) copies of documents incorporated by reference into the current Supplemented Prospectus for each Series of CDRs (including the Semi-Annual CDR Position Reports and Performance Reports, as described below) or, in respect of applicable continuous disclosure documents of the Filer that are incorporated by reference, a link to a webpage of the Filer which provides such continuous disclosure documents.

42. The Filer will file on SEDAR+ and provide on the CDR Website semi-annual custody account statements (**Semi-Annual Custody Account Statements**) that are certified by the Custodian and that set out, for each outstanding Series of CDRs as of the last business day of June and December in each calendar year, the number of Underlying Shares in the Custody Account for the Series as of the close of business on such day. The Filer has committed that it will continue to file Semi-Annual Custody Account Statements on SEDAR+ within one month of the end of each half-year period for each Series of CDRs for which CDRs remain outstanding as of the time of filing of such Semi-Annual Custody Account Statement.

43. The Filer will file on SEDAR+ and provide on the CDR Website semi-annual statements (**Semi-Annual CDR Position Reports**) in the English and French languages setting out the following information for each outstanding Series of CDRs as of the last business day of June and December in each calendar year:

    (a) the name of the applicable Underlying Issuer;

    (b) the designation of the applicable Underlying Shares;

    (c) the number of CDRs outstanding, which number will be certified by the registrar and transfer agent for the CDR program;

(d) the CDR Ratio;

(e) the calculated amount equal to item (c) times item (d), which is the number of Underlying Shares that is required to be maintained in the Custody Account for the Series for the benefit of CDR Holders;

(f) the actual number of Underlying Shares held in the Custody Account for the Series (which number must equal the number disclosed in the corresponding Semi-Annual Custody Account Statement certified by the Custodian and filed on SEDAR+ as described in paragraph 42);

(g) the residual number of Underlying Shares held for the benefit of the Issuer Interest (i.e., the number equal to item (f) minus item (e)); and

(h) a statement of the Filer that the CDR Ratio included in the Semi-Annual CDR Position Reports has been calculated in accordance with provisions of the applicable Deposit Agreement, and that the aggregate number of Underlying Shares forming the CDR Holder Interest is not less than the product of the number of outstanding CDRs of the Series multiplied by the CDR Ratio.

The Filer has committed that it will continue to file Semi-Annual CDR Position Reports on SEDAR+ within one month of the end of each half-year period for each Series of CDRs for which CDRs remain outstanding as of the time of filing of such Semi-Annual CDR Position Report. For each Series of CDRs, disclosure in respect of such Series included in the most recently filed Semi-Annual CDR Position Report in respect of the Series will be incorporated by reference into the Supplemented Prospectus for such Series.

44. The Filer will provide on the CDR Website the following disclosure for each Series of CDRs:

(a) a table setting out the daily FX forward rates that have applied for the Series of CDRs for each day since launch;

(b) a document (a **Performance Report**) that includes a table for each Series of CDRs setting out, for each of the one, three, five and ten year periods ending on the last day of the preceding calendar year (to the extent returns for such periods are available based on the date of launch of the Series of CDRs) (the **Performance Periods**), the following:

(i) the past performance of the CDRs over the Performance Period based on CDR closing prices, expressed as an annual compound return reflecting the reinvestment of CDR Distributions (and such presented performance figures would not reflect tax obligations or withholdings, so as to be neutral relative to the potential differing tax treatment of CDRs or Underlying Shares according to applicable circumstances, and the presented figures would assume that no brokerage fees, commissions or transaction costs would apply in respect of the associated purchases and sales; and these and other material assumptions with respect to the calculations will be presented in each Performance Report); and

(ii) the past performance of an investment in the related Underlying Shares, expressed as an annual compound return that would have applied if an investor were to have invested in the Underlying Shares throughout the Performance Period as calculated by converting Canadian dollars into the relevant Underlying Currency on the first day of the Performance Period, maintaining an investment in the Underlying Shares throughout the Performance Period (reinvesting dividends at market close on each dividend payment date), selling the investment in the Underlying Shares on the last day of the Performance Period, and converting the proceeds into Canadian dollars at such time. For this purpose, 1.00% (or a different disclosed rate that the Depositary considers reasonable in the circumstances) will be used as the cost of the FX conversion at the start and end of the relevant Performance Period; and the Performance Report shall also include a narrative explanation of any material differences between the performance of the Series of CDRs and the performance of the related Underlying Shares that are not considered to be related to the applicable Notional FX Hedge as disclosed in the Performance Report (including standard potential sources of tracking error such as (i) the spread charged by the Filer which is embedded in the forward rate for each Notional FX Hedge, (ii) the timing of the CDR Ratio adjustments resulting from each Notional FX Hedge which may impact the extent of such adjustments, (iii) FX forward rates which are influenced by differences in short-term interest rates in Canadian dollars and the Underlying Currency, (iv) currency and equity volatility, and (v) the fact that Notional FX Hedges are executed once per day);

(c) a table in respect of the relevant Underlying Shares setting out the ticker symbol, indicated dividend yield, most recent closing price, 52-week trading range, current market capitalization level and average trading volume as well as a table showing the CDR Distribution history on a per-CDR basis;

(d) notices describing all dividends scheduled to be received by the Custodian on Underlying Shares and the amount, which is to be distributed to CDR Holders per CDR before giving effect to withholding by the Custodian;

(e) disclosure concerning the sourcing of the applicable market data; and

(f) a cross-reference to the applicable risk factor disclosures in the Supplemented Prospectus.

For each Series of CDRs, disclosure in respect of such Series included in the most recently filed Performance Report in respect of the Series will be incorporated by reference into the Supplemented Prospectus for such Series.

The Filer has committed that it will continue to file Performance Reports on SEDAR+ within one month of the end of each calendar year for each Series of CDRs for which CDRs remain outstanding as of the time of filing of such Performance Report.

45. For each Series of CDRs, disclosure in respect of such Series included in the most recently filed Semi-Annual CDR Position Report and Performance Report (if any) in respect of such Series of CDRs will be incorporated by reference into the Filer's Supplemented Prospectus for such Series of CDRs. Accordingly, CDR Holders may rely on such disclosure as if included directly in the Supplemented Prospectus and prospectus liability shall apply under applicable securities laws. Additionally, as required by National Instrument 44-101 *Short Form Prospectus Distributions* and NI 44-102, the Filer will file a consent of the Transfer Agent with respect to the incorporation by reference in each Supplemented Prospectus of the Semi-Annual CDR Position Reports, including the Transfer Agent's certification given as an expert whose profession gives authority to the statements, and accordingly prospectus liability shall also apply under applicable securities laws to the extent its certifications contain any misrepresentations.

46. The Offerings will be conducted without the knowledge or consent of Underlying Issuers. Accordingly, the Filer's personnel responsible for the Offerings will not have direct knowledge or access to material information regarding the Underlying Issuers or Underlying Shares other than publicly available information.

47. In similar circumstances under CSA Staff Notice 44-304 *Linked Notes Distributed under Shelf Prospectus System* (**SN 44-304**), it has been recognized that it is appropriate for a Canadian issuer of a structured note linked to the market performance of a security of a non-Canadian issuer to provide only "abbreviated disclosure" based on basic information from publicly available sources regarding the underlying issuer and reference securities, and that subscribers should not rely upon the issuer of the structured note to provide full, plain and true disclosure in respect of the non-Canadian issuer and the relevant reference securities, and instead the Canadian issuer may direct investors to public disclosure made available by the non-Canadian issuer in accordance with the rules of the relevant non-Canadian jurisdiction, provided that there is sufficient market interest and publicly available information about an underlying issuer.

48. The Filer proposes to only provide such abbreviated disclosure in respect of Underlying Shares for the CDRs, and accordingly the Filer confirms that it will only launch a new Series of CDRs if, at the time of listing of the CDRs, the related Underlying Issuer and Underlying Shares satisfy the **CDR Issuance Standards** set out in Appendix A. The Filer believes the CDR Issuance Standards provide an appropriate level of assurance that there will be sufficient market interest and publicly available information about the Underlying Shares in respect of a Series of CDRs that satisfies such standards. The Filer is not required to monitor whether the Underlying Issuer and Underlying Shares with respect to any Series of CDRs continue to satisfy the CDR Issuance Standards after the listing of the Series of CDRs, nor is the Filer required to take any action should such standards no longer be satisfied.

49. In respect of requirements under the Legislation and NI 44-102 that each Supplemented Prospectus contain full, true and plain disclosure of all material facts relating to the securities to be distributed in the Offering, the Filer shall comply with SN 44-304 in relation to disclosure in respect of Underlying Issuers and Underlying Shares for each Series of CDRs. The Filer intends to meet the principles set out in SN 44-304 as if the CDRs were linked notes, and the Filer intends to meet the full, true and plain disclosure requirement in connection with the CDRs without having responsibility for the accuracy of disclosure issued by the Underlying Issuer. Each Prospectus Supplement will clearly state that the Filer is not the source of disclosure relating to the Underlying Shares and will clearly disclaim the Filer's responsibility both for verifying the accuracy of such disclosure and for updating such disclosure.

50. The Filer will take commercially reasonable steps to ensure that marketing materials and investor communications prepared or distributed by the Filer or on its behalf (including by registered dealers and investment advisors) clearly convey that the Filer is the issuer of any Series of CDRs referenced therein. For any Series of CDRs issued by the Filer in respect of which another issuer has also issued CDRs qualified by prospectus in a jurisdiction of Canada on the applicable Underlying Shares, the Filer will use commercially reasonable efforts to cause Canadian trading portals and data vendors to include a reference to "CIBC" in the security display names of such CDRs (the **Naming Convention**). The Filer will monitor such trading portals and data vendors on an ongoing basis to assess whether they continue to follow the Naming Convention. The Filer will work with the applicable trading portal or data vendor to update the security display name for CDRs to follow the Naming Convention in any case where the Filer observes that the Naming Convention is not being followed.

Prospectus Delivery Requirement

51. Pursuant to the Prospectus Delivery Requirement, a dealer effecting a trade of securities offered under a prospectus is required to deliver a copy of the prospectus (including the applicable prospectus supplement(s) in the case of a base shelf prospectus) to the purchaser within prescribed time limits.

52. Delivery of a prospectus is not practicable in the circumstances of a CDR Distribution conducted on a regulated Canadian marketplace because neither the Filer nor the Dealer effecting the trade will know the identity or address of the purchasers or have a mechanism to directly deliver the prospectus to purchasers.

53. The Supplemented Prospectus will be filed and readily available electronically via SEDAR+ and the CDR Website to all purchasers under CDR Distributions. As stated in paragraph 40 above, the Filer will disclose by news release where and how copies of the Supplemented Prospectus may be obtained.

54. Rights of action for damages under the civil liability provisions of the Legislation that apply where a prospectus contains a misrepresentation are not contingent upon receipt of the prospectus by a purchaser of the security issued pursuant to that prospectus, rather these provisions expressly provide that such rights apply without regard as to whether the purchaser relied on the misrepresentation and accordingly, the grant of an exemption from the Prospectus Delivery Requirement will not limit such rights of action.

55. For so long as there is material uncertainty concerning, or material limitations on, how statutory liability provisions and certification of class actions would apply in respect of the Offerings and other similar offerings such as offerings of ETFs and at-the-market offerings, the Filer will include in each relevant Supplemented Prospectus risk factor disclosure to the effect that (a) the removal of the Prospectus Delivery Requirement means that an investor that receives a newly issued CDR from a Dealer pursuant to a purchase on a Canadian exchange or marketplace will not receive effective notice that it is entitled to the protections of section 130 of the *Securities Act* (Ontario), and it may not be possible for investors to determine or provide evidence in a proceeding that they are entitled to rely on such protections, (b) it may be difficult for CDR Holders to certify a class action under statutory liability provisions in respect of CDRs, (c) such difficulty was recognized in class action proceedings in 2020 and 2021 (or the Filer may refer to such other proceedings as it considers relevant in respect of this issue at the relevant time) with respect to an ETF including due to the fact that it was not possible to identify with certainty which purchasers of ETF units that purchased ETF units on an exchange or other market had purchased newly created units of the relevant ETF, and (d) such difficulty could also apply to proceedings related to CDRs given that the same offering model applies to both CDRs and ETF units.

56. The Filer acknowledges that the ability of exchange purchasers of CDRs to bring a class action or an individual claim for misrepresentation based on the secondary market statutory civil liability provisions is a fundamental investor protection, particularly for retail investors, and that the grant of the Relief Sought is not intended to impact an investor's ability to access rights based on the statutory civil liability provisions of the Legislation.

Withdrawal Right and Right of Action for Non-Delivery

57. Pursuant to the Legislation, an agreement to purchase a security in respect of a distribution to which the prospectus requirement applies is not binding on the purchaser if the dealer from whom the purchaser purchases the security receives a notice in writing evidencing the intention of the purchaser not to be bound by the agreement of purchase not later than midnight on the second day (exclusive of Saturdays, Sundays and holidays) after receipt by the purchaser of the latest prospectus or any amendment to the prospectus (the **Withdrawal Right**).

58. Pursuant to the Legislation, a purchaser of securities to whom a prospectus was required to be sent or delivered in compliance with the Prospectus Delivery Requirement, but was not so sent or delivered, has a right of action for rescission or damages against the dealer who did not comply with the Prospectus Delivery Requirement (the **Right of Action for Non-Delivery**).

59. Neither the Withdrawal Right nor the Right of Action for Non-Delivery is workable in the context of the CDR Distributions conducted on a regulated Canadian marketplace because of the impracticability of delivering the Supplemented Prospectus to a purchaser that purchases CDRs on a Canadian marketplace.

Pricing Requirements

60. Rather than completing separate prospectuses in respect of each new Series of CDRs to be issued, the Filer considers that the use of a base shelf prospectus and a prospectus supplement covering different Series of CDRs, which in each case describe the mechanism for pricing of the offering and refer to the CDR Website that includes the current CDR Ratio, is appropriate to provide necessary disclosure in respect of each Series of CDRs, and no purpose would be served by also requiring a pricing supplement to be filed as contemplated by section 8.1 of NI 44-102.

61. Similarly, the general requirement that securities must be issued at a fixed price is not appropriate in respect of a continuous distribution of CDRs that are issued to registered dealers (purchasing as principal or as agent) in exchange for the deposit of a number of Underlying Shares based on the current CDR Ratio, with such dealers typically selling such CDRs in open-market trades at market prices prevailing from time to time.

Prospectus Form Requirements

62. The proposed CDR Distribution method involves a continuous distribution, and does not involve (a) the use of pricing supplements, (b) the delivery of prospectuses or amendments thereto, (c) typical Withdrawal Rights and Rights of Action for Non-Delivery, (d) a typical dealer compensation model, or (e) a predetermined set of Dealers that will participate in CDR Distributions (other than CIBC WMI). Accordingly, a number of changes to prescribed form disclosure and descriptions of statutory rights are required to implement the proposed CDR Distribution method.

63. A different statement of purchasers' rights than that required by the Legislation is necessary so that each Supplemented Prospectus will accurately reflect the relief granted from the Prospectus Delivery Requirement. Accordingly, each Prospectus Supplement will state that:

> *The rights of investors relying on this Prospectus in respect of newly issued CDRs differ from those of investors in other equity securities. See "Notice Regarding Non-Standard Securityholder Rights" in the Base Prospectus.*

and each base shelf prospectus for the CDRs will state the following, with the definition of "Exemptive Relief Order" identifying this decision by reference to the date hereof:

> *Securities legislation in certain of the provinces and territories of Canada provides purchasers with the right to withdraw from an agreement to purchase securities and with remedies for rescission or, in some jurisdictions, revisions of the purchase price, or damages if the prospectus, prospectus supplements relating to securities purchased by a purchaser and any amendment are not delivered to the purchaser, provided that the remedies are exercised by the purchaser within the time limit prescribed by securities legislation.* ***However, purchasers of CDRs will not have the right to withdraw from an agreement to purchase the CDRs and will not have remedies of rescission or, in some jurisdictions, revisions of the price, or damages for non-delivery of the prospectus supplement, the accompanying prospectus and any amendment thereto relating to CDRs purchased by such purchaser because the prospectus supplement, the accompanying prospectus and any amendment thereto relating to the CDRs purchased by such purchaser are not required to be delivered to the purchaser as provided for under a decision dated [●], 2025 (as amended and/or restated from time to time) and granted pursuant to National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions (the "Exemptive Relief Order").***
>
> *Securities legislation in certain of the provinces and territories of Canada further provides purchasers with remedies for damages or rescission or, in some jurisdictions, revisions of the purchase price if the prospectus together with any applicable prospectus supplements relating to securities purchased by a purchaser and any amendment thereto contains a misrepresentation (as defined in the applicable legislation), provided that the remedies are exercised by the purchaser within the time limit prescribed by securities legislation. Any remedies under securities legislation that a purchaser of CDRs under a distribution of CDRs may have for damages, rescission or revisions of the purchase price if the prospectus together with any applicable prospectus supplements relating to securities purchased by a purchaser and any amendment thereto contain a misrepresentation will remain unaffected by the non-delivery and the Exemptive Relief Order except that* ***neither CIBC nor any other person involved in the distribution of CDRs accepts any responsibility for any disclosure provided by any Underlying Issuer (including information included herein or in any Prospectus Supplement that has been extracted or derived from any Underlying Issuer's publicly disseminated disclosure)****, and accordingly purchasers shall have no remedies or rights in respect of or against CIBC, any dealer or any of their respective affiliates, agents, officers and employees for any misrepresentations that pertain to such disclosure in respect of an Underlying Issuer or Underlying Share.*
>
> *A purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province and the terms of the Exemptive Relief Order for the particulars of these rights or consult with a legal adviser.*

Underwriter's Certificate Requirement

64. Unlike under an ordinary public offering where a subscriber and an underwriter determine the terms of a subscription on a private bilateral basis and the subscriber can reasonably look to the underwriter as owing particular duties to its client, a purchaser of a CDR on a Canadian marketplace will not know in advance the identity of the seller from which it will purchase securities or whether or not such securities are being newly issued. Furthermore, investment dealers are not and will not be involved in the preparation of the prospectus for any Series of CDRs. The Relief Sought in respect of the Underwriter's Certificate Requirement reflects that the role of Dealers participating in CDR Distributions is to facilitate

liquidity of the CDR trading market. The Underwriter's Certificate Requirement is not necessary in light of the Dealers' role in CDR Distributions and would introduce a barrier to a diversity of dealers performing such role.

65. Similarly, any requirement to list in a prospectus the Dealers that may be selling newly issued CDRs is not necessary for these same reasons, would introduce an unnecessary barrier to dealers providing liquidity and could inappropriately lead some investors to consider that such Dealers are responsible for the prospectus disclosure or are performing a traditional underwriting role in respect of the CDR issuances. Accordingly, the Relief Sought will reflect the role of the Dealers in CDR Distributions and is consistent with the disclosure provided in respect of exchange-traded funds that also obtain relief from the Underwriter's Certificate Requirement given that exchange-traded funds are not subject to a separate requirement to list the underwriters.

51-102 Delivery Requirements

66. A reporting issuer is required under section 4.6 of NI 51-102 to offer to deliver financial statements and MD&A to the registered holders and beneficial owners of its securities, other than debt instruments.

67. The CDRs are not debt instruments; however, a holder of CDRs does not hold any ownership or economic interest in the Filer or its assets, and a CDR Holder's economic and other entitlements in respect of the CDRs and the associated Underlying Shares are not determined by reference to the Filer's business, operations, financial position or creditworthiness (rather, their investment decisions will be based upon available information in respect of the respective Underlying Issuers and the Underlying Shares). Further, CDR Holders do not have any rights to vote in respect of the Filer or its internal governance and management; and voting instructions that may be provided by CDR Holders will relate to the property of CDR Holders (i.e., their proportionate interest in the Underlying Shares) and will be exercised by third-parties with the Filer simply facilitating the communication of such instructions. Accordingly, CDR Holders will not require the information otherwise available through the 51-102 Delivery Requirements in order to make investment decisions in respect of the CDRs. Further, the Filer has taken the view that it is appropriate to consider that the CDRs will not constitute "voting securities" of the Filer, and accordingly that other provisions of securities legislation in the Jurisdiction and the Reporting Jurisdictions that require the delivery of proxy statements, management information circulars or any other materials that are not typically provided to holders of debt instruments of an issuer do not apply in respect of the CDRs.

Distribution Time Limit

68. Section 8.2 of NI 41-101 requires that, if securities are being distributed on a best efforts basis, the distribution must cease after a specified period of time (not to exceed 180 days from the date of receipt for the final prospectus).

69. An exception to Distribution Time Limit is provided pursuant to section 8.1 of NI 41101 for an investment fund in continuous distribution, but this exception does not apply to CDRs. However, the distribution model of CDRs is similar to that of certain investment funds in continuous distribution, and accordingly, the policy basis for the exception applicable to investment funds in continuous distribution applies equally in the case of the CDR Distributions.

Connected Issuer Requirement

70. Pursuant to section 2.1(1) of NI 33-105, specified firm registrants are prohibited from acting as direct underwriters for securities issued by a connected issuer or a related issuer of the specified firm registrants unless prescribed disclosure describing potential conflicts of interest arising from the underwriter's dealings with or relationship to the issuer is included in the applicable prospectus (or other applicable offering document).

71. Given that CDR Distributions do not result in the Filer receiving subscription proceeds or other payments from CDR investors, the intended policy basis for the Connected Issuer Requirement does not apply in respect of the Offerings.

72. The Filer's related party status in respect of each of its affiliates that is a specified firm registrant will be disclosed in accordance with the requirements under NI 33-105.

Independent Underwriter Requirement

73. Pursuant to section 2.1(2) and 2.1(3) of NI 33-105, a specified firm registrant is prohibited from acting as a direct underwriter of an offering if a related issuer of the specified firm registrant is the issuer in the distribution unless an "independent underwriter" (a) purchases the requisite portion of securities (where underwriters purchase the offered securities as principals) or (b) receives the requisite portion of the total agents' fees (where underwriters are acting as agents).

74. The Independent Underwriter Requirement is not workable in the context of CDR Distributions, as these will generally take place by way of open-market transactions and it is not possible for the Filer to know in advance whether any particular independent dealer will distribute a particular proportion of any newly issued CDRs.

48-501 Purchasing Restrictions

75. The stated policy rationale for Rule 48-501 is to prohibit "purchases of or bids for restricted securities in circumstances where there is heightened concern over the possibility of manipulation by those with an interest in the outcome of the distribution or transaction". In particular, an issuer or person selling securities under a prospectus and its affiliates and insiders, as well as any underwriters or other persons acting jointly or in concert with any of them, should not bid for offered securities or induce others to purchase offered securities since such purchases could be used to artificially and temporarily inflate the market price of a security that is the subject of a prospectus offering.

76. The policy rationale for the purchase restrictions in Rule 48-501 does not apply in respect of CDR Distributions because the Filer does not materially benefit from any temporary or artificial increase in the valuation of CDRs. As noted above, the Filer does not receive a subscription payment for CDRs and all or substantially all of the consideration delivered for CDRs is in the form of a fixed number per CDR of Underlying Shares that are deposited with the Custodian for the benefit of the CDR Holders. Accordingly, there is no material risk that any issuer-restricted person or dealer-restricted person will seek to temporarily manipulate the CDR trading price in order to benefit the Filer or any other issuer-restricted person or dealer-restricted person. CDRs should also be recognized as generally not susceptible to manipulation given the CDR creation and security withdrawal features and their linkage to market pricing of the widely-traded Underlying Shares.

77. No exemption from the 48-501 Purchasing Restrictions is available in Part 3 of OSC Rule 48-501 to the Filer's affiliates in respect of anticipated market-making in CDRs (which is a necessary element of maintaining a narrow bid-ask spread for CDRs with pricing that actively tracks the market price of the Underlying Shares).

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 Relief Sought is granted, provided that:

(a) the Underlying Issuer and Underlying Shares satisfy the CDR Issuance Standards at the time of listing of the CDRs;

(b) each Deposit Agreement will be filed by the Filer on SEDAR+ as a material contract;

(c) if the Filer elects to commence the Offering of a Series of CDRs, it will immediately do the following:

  (i) file the applicable Prospectus Supplement on SEDAR+;

  (ii) issue a news release and a notice on the CDR Website each indicating that the applicable Prospectus Supplements for the Series of CDRs have been filed on SEDAR+ and disclosing where and how copies of the Supplemented Prospectus may be obtained; and

  (iii) provide copies of the Shelf Prospectus and the applicable Prospectus Supplements on the CDR Website;

(d) the Filer will maintain the CDR Website on which it will post for each Series of CDRs:

  (i) the applicable Deposit Agreement;

  (ii) the then-applicable CDR Ratio calculated on the immediately preceding Trading Day;

  (iii) the current notional forward rate for the Notional FX Hedges;

  (iv) the name and jurisdiction of organization of the Underlying Issuer, the ticker of the Underlying Shares, and the name and country of the foreign stock exchange that is the Primary Trading Market of the Underlying Shares;

  (v) all current Prospectus Supplements for the CDRs and all notices provided to CDR Holders in respect of the CDRs; and

  (vi) copies of documents incorporated by reference into the current Supplemented Prospectus for each Series of CDRs (including Semi-Annual CDR Position Reports and Performance Reports) or, in respect of applicable continuous disclosure documents of the Filer that are incorporated by reference, a link to a webpage of the Filer which provides such continuous disclosure documents;

(e) the Filer will file on SEDAR+ and provide on the CDR Website Semi-Annual Custody Account Statements setting out the information described in paragraph 42, and Semi-Annual CDR Position Reports setting out the

information described in paragraph 43, in each case for each outstanding Series of CDRs as of the last business day of June and December in each calendar year;

(f) for each Series of CDRs, disclosure in respect of such Series included in the most recently filed Semi-Annual CDR Position Report (if any) in respect of the Series will be incorporated by reference into the Supplemented Prospectus for such Series and the Semi-Annual CDR Position Report will be subject to prospectus liability;

(g) the Filer will file a consent of the Transfer Agent with respect to the incorporation by reference in each Supplemented Prospectus of the Semi-Annual CDR Position Reports;

(h) the Filer will provide on the CDR Website the following disclosure for each outstanding Series of CDRs:

(i) a table setting out the daily FX forward rates that have applied for the Series of CDRs for each day since launch;

(ii) a Performance Report;

(iii) a narrative explanation of any material differences between the performance of the Series of CDRs and the performance of the related Underlying Shares that are not considered to be related to the applicable Notional FX Hedge as disclosed in the Performance Report (including standard potential sources of tracking error such as (i) the spread charged by the Filer which is embedded in the forward rate for each Notional FX Hedge, (ii) the timing of the CDR Ratio adjustments resulting from each Notional FX Hedge which may impact the extent of such adjustments, (iii) FX forward rates which are influenced by differences in short-term interest rates in Canadian dollars and the Underlying Currency, (iv) currency and equity volatility, and (v) the fact that Notional FX Hedges are executed once per day);

(iv) a table in respect of the relevant Underlying Shares setting out the ticker symbol, indicated dividend yield, most recent closing price, 52-week trading range, current market capitalization level and average trading volume as well as a table showing the CDR Distribution history on a per-CDR basis;

(v) notices describing all dividends scheduled to be received by the Custodian on Underlying Shares and the amount which is to be distributed to CDR Holders per CDR before giving effect to withholding by the Custodian;

(vi) disclosure concerning the sourcing of the applicable market data; and

(vii) a cross-reference to the applicable risk factor disclosures in the Supplemented Prospectus;

(i) for each Series of CDRs, disclosure in respect of such Series included in the most recently filed Performance Report (if any) in respect of the Series will be incorporated by reference into the Supplemented Prospectus for such Series and the Performance Report will be subject to prospectus liability;

(j) the Filer's personnel responsible for the Offerings will not have direct knowledge or access to material information regarding the Underlying Issuers or Underlying Shares other than publicly available information;

(k) the Filer will not cooperate with Underlying Issuers or any persons acting jointly or in concert with any Underlying Issuer so as to permit the CDRs to be used as a financing vehicle by Underlying Issuers or to permit an indirect offering of Underlying Shares into a jurisdiction of Canada and the Offerings will be conducted without the prior knowledge or consent of Underlying Issuers;

(l) the CDRs are issued in exchange for the deposit of a number of Underlying Shares based on the CDR Ratio calculated after acceptance of the related subscription request;

(m) a statement of purchasers' rights described in paragraph 63 is included in the Supplemented Prospectus;

(n) the Filer's related party status in respect of each of its affiliates that is a specified firm registrant that at any time may offer or distribute CDRs will be disclosed in accordance with the requirements under NI 33-105; and

(o) this decision will terminate upon the coming into force of any legislation or rule of the principal regulator specifically regulating CDRs or similar products.

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

OSC File #: 2025/0103

Appendix A

The **CDR Issuance Standards** referenced in paragraph 48 are as follows:

(a) the Underlying Issuer must be incorporated or formed in a jurisdiction listed under "Jurisdiction/Country" in the table below (each a **Permitted Jurisdiction**);

(b) the Depositary must have determined, in its reasonable judgment based on information found in the Underlying Issuer's public disclosure, that the executive or operational headquarters or mind and management of the Underlying Issuer is located in a Permitted Jurisdiction, having regard to any factors it deems relevant to such assessment (which may include the location of the head office of the Underlying Issuer, the jurisdiction of residence of the executive officers of the Underlying Issuer and the location of the most recent annual meeting of the Underlying Issuer's securityholders);

(c) the Underlying Issuer must publish English language versions of its annual reports, financial statements and notices of annual shareholder meetings;

(d) the Primary Trading Market of the Underlying Shares must be one of the trading markets listed under "Primary Trading Market" in the table below, or such trading market's successor, and ordinary trading of the Underlying Shares on such Primary Trading Market must not be suspended or subject to any cease-trade order or trading halt as of the Trading Day immediately prior to the time of listing of the CDRs; and furthermore the Underlying Shares may not be listed for trading on a stock exchange in Canada;

(e) the Underlying Issuer must have a market capitalization in excess of C$25 billion (or its equivalent in the relevant Underlying Currency) on the last day of the calendar month before the initial listing of the applicable Series of CDRs; and

(f) the average daily trading volume of the Underlying Shares across all trading markets in the calendar month before the initial listing of the applicable Series of CDRs must exceed C$125 million (or its equivalent in the relevant Underlying Currency).

TABLE

Jurisdiction / Country	Primary Trading Market
Austria	Vienna Stock Exchange (Wiener Borse)
Belgium	Euronext Brussels
Denmark	Nasdaq Copenhagen
Finland	Nasdaq Helsinki
France	Euronext Paris
Germany	Frankfurt Stock Exchange (Borse Frankfurt) or Xetra
Greece	Athens Stock Exchange
Ireland	Euronext Dublin
Italy	Italian Stock Exchange (Borsa Italiana)
Japan	Tokyo Stock Exchange or Osaka Securities Exchange
Luxembourg	Luxembourg Stock Exchange
The Netherlands	Euronext Amsterdam
Norway	Oslo Stock Exchange
Portugal	Euronext Lisbon
Spain	Madrid Stock Exchange (Bolsa de Madrid) or Barcelona Stock Exchange (Bolsa de Barcelona)
Sweden	Nasdaq Stockholm

TABLE	
Jurisdiction / Country	**Primary Trading Market**
Switzerland	Six Swiss Exchange
The United Kingdom of Great Britain and Northern Ireland	Aquis Exchange or London Stock Exchange
The United States of America	NASDAQ or New York Stock Exchange

B.3.4 Ternion Financial Services Inc. and Alison Travers

IN THE MATTER OF
THE SECURITIES ACT
R.S.O. 1990, c. S.5,
AS AMENDED

AND

IN THE MATTER OF
THE REGISTRATION OF
TERNION FINANCIAL SERVICES INC.
AND
ALISON TRAVERS

DECISION OF THE DIRECTOR

1. Ternion Financial Services Inc. (**Ternion**) has been registered in the category of exempt market dealer under the *Securities Act*, R.S.O. 1990, c. S.5 (the **Act**) since June 13, 2022. Alison Travers has been registered as the firm's ultimate designated person (**UDP**) and chief compliance officer (**CCO**), and as Ternion's dealing representative, in the category of exempt market dealer since Ternion was first registered. At this time, Ms. Travers is the only registered dealing representative with the firm.

2. Having reviewed and considered the recommendation of the Registration, Inspections and Examinations Division of the Ontario Securities Commission (the **RIE Division**), which was not opposed by Ternion or Ms. Travers, I, in my capacity as Director under the Act, accept the RIE Division's recommendation, and make the following decision:

   a. The registration of Ternion as an exempt market dealer is hereby suspended pursuant to section 28 of the Act; and

   b. The registration of Ms. Travers as Ternion's UDP, CCO and dealing representative is hereby suspended pursuant to section 28 of the Act.

A. Compliance Review by the RIE Division

3. In 2023, the RIE Division conducted a compliance review of Ternion to examine the firm's compliance with Ontario securities law for the period from June 1, 2022 to May 31, 2023.

4. At the conclusion of the compliance review, the RIE Division issued a report to Ternion on November 20, 2023 identifying 29 deficiencies, including 14 significant deficiencies, in the firm's compliance with Ontario securities law across multiple areas of the firm's operations.

5. Following the issuance of the compliance review report, a further review of Ternion and of its ongoing suitability for registration under the Act was conducted by the Registrant Conduct Team of the RIE Division.

B. The RIE Division's Recommendation

6. On July 23, 2025, having completed its review of Ternion's ongoing suitability for registration, the RIE Division sent a letter to Ms. Travers, as the UDP and CCO of Ternion, informing the firm that the RIE Division had recommended to the Director that Ternion's registration in the category of exempt marked dealer, as well as Ms. Travers' registration as the firm's UDP, CCO and sole dealing representative, be suspended.

C. Grounds for the RIE Division's Recommendation

7. In its letter dated July 23, 2025, the RIE Division cited a number of findings in support of its recommendation. The recommendation also referred to the findings made as a result of the compliance review of the firm.

8. In summary, the RIE Division identified a number of concerns related to a particular product Ternion offered to investors (the **Seaport Product**), and was of the view that Ternion and Ms. Travers failed to comply with their fundamental obligations as registrants, including their Know Your Product (**KYP**), Know Your Client (**KYC**), suitability and conflict of interest obligations, and demonstrated a lack of proficiency and integrity expected of registrants when offering the Seaport Product.

9. The RIE Division acknowledged that Ternion had provided responses and proposed remediation steps with respect to the deficiencies identified in the compliance review report. However, the RIE Division's view was that the proposed

remediation steps did not address the fundamental investor protection concerns with the Seaport Product offered by Ternion.

i. The Seaport Product

10. Set out below are the key features of the Seaport Product, based on the information and documents provided by Ternion and Ms. Travers during the compliance review and during the review by the Registrant Conduct Team, including during Ms. Travers' examination pursuant to section 33.1 of the Act under oath.

- The Seaport Product has two components: (i) an investment component which involves the units of Seaport Vacation Fund Trust (**Seaport Trust**) being distributed to a Ternion client; and (ii) a loan component which involves a loan being advanced to the same client by Seaport Financial Corporation. The purpose of the loan is to finance a purchase of a real estate property outside of Canada.

- The client's funds in an existing registered plan are used to purchase units of Seaport Trust. The units are held in a new registered plan at a trust company. The proceeds from the sale of the units are transferred to Seaport Trust. Seaport Trust lends these funds to Seaport Financial Corporation in exchange for a promissory note. The funds are then lent by Seaport Financial Corporation to the client for the purchase of the property.

- For each client, the value of the Seaport Financial Corporation loan, the value of the promissory note from Seaport Financial Corporation to Seaport Trust, and the total value of the Seaport Trust units acquired by the client (with the value of each unit being $1) are all in the same amount.

- The "investment term" and loan term are both 5 years and the client has the option to renew these terms for up to 20 years.

- Clients are entitled to cash distributions (i.e., returns) with respect to their Seaport Trust units and they also pay interest on their Seaport Financial Corporations loans. The interest rate for the cash distributions and the interest rate on the loan vary depending on the series of the Seaport Trust units held by each client.

- As the client pays down the principal amount of their Seaport Financial Corporation loan, the equivalent value of the Seaport Trust units (with the value per trust unit being $1) is redeemed on "the annual Redemption Date" and paid to the client. Therefore, the total value of the client's Seaport Trust holdings is reduced by the amount equal to the reduction in the outstanding balance on the loan.

- Clients receive a "cash balance" in their registered plan on an annual basis, representing the sum of (i) the proceeds from the redemption of the Seaport Trust units; and (ii) the distribution of their return on the Seaport Trust units.

11. The majority of the distributions to Ternion clients of the units of the Seaport Trust (i.e., the investment component of the Seaport Product) relied on the Amended and Restated Offering Memorandum for the Seaport Trust dated October 18, 2022 (the **2022 OM**). The 2022 OM describes the product that is being distributed as an investment in a fund that loans unitholders' funds to Seaport Financial Corporation which, in its turn, loans those funds as consumer loans to ostensibly qualified Canadians for the purpose of financing vacation memberships or purchases of real estate property.

12. On March 25, 2024, an Amended and Restated Offering Memorandum was issued for Seaport Trust (the **2024 OM**) that contained various amendments to the 2022 OM.

ii. Ternion failed to comply with its KYP Obligations

13. The RIE Division identified significant concerns with the Seaport Product and Ternion's due diligence and KYP analysis with respect to the Seaport Product. The following concerns with the Seaport Product were identified by the RIE Division:

- The Seaport Product as described by Ternion to the RIE Division was materially different from the product disclosed in the 2022 OM. Therefore, Ternion's distributions of the Seaport Product to its clients were made on the basis of the offering document that did not accurately disclose the product that was being distributed. Crucially, the 2022 OM does not specify that the parties who are receiving the consumer loans from Seaport Financial Corporation are the Seaport Trust unitholders themselves.

  Most of the RIE Division's concerns related to distributions that relied on the 2022 OM. While various amendments were made in the 2024 OM, that document still did not accurately disclose the key features of the Seaport Product.

- There does not appear to be any investment of the Seaport Trust unitholders' money into a fund or an investment vehicle that implements an investment strategy with the purpose of generating returns for investors. In particular,

it appears that any distributions to Ternion clients that were Seaport Trust unitholders were returned interest that those same clients paid on their loans. In addition, Ms. Travers indicated that she did not believe the investor funds were pooled at the Seaport Trust level, and that she was not aware of a net asset value ever being calculated for Seaport Trust.

- The Seaport Product essentially allows the clients to withdraw their funds from a registered plan as a loan to themselves, on a tax-free basis, in order to finance a purchase of a real estate property. This gave rise to concerns that (a) the Seaport Product may not be a qualified investment for a registered plan under the *Income Tax Act*, and (b) as a result of apparently facilitating a withdrawal of funds from a registered plan on a tax-free basis, the Seaport Product appears to have several characteristics of an RRSP strip scheme.

14. The RIE Division found no evidence that these concerns were identified, explained or addressed by Ternion as part of its KYP process. Based on the evidence obtained during the RIE Division's review, Ternion relied primarily on the representations made by Seaport Trust's manager, Seaport Credit Canada, and its principals, and the RIE Division did not see evidence of a substantive independent review of the Seaport Product by Ternion.

15. Ternion indicated that it believed that the Seaport Product was a qualified investment for a registered plan under the *Income Tax Act* based on the representations in the 2022 OM and the 2024 OM, conversations with the CEO of Seaport Credit Canada, and the letter from the Canada Revenue Agency (**CRA**) to Seaport Trust stating, among other things, that the CRA "accepted [Seaport Trust] as a Registered Investment under […] the Income Tax Act". Given the concerns identified by the RIE Division with respect to the Seaport Product, the RIE Division did not find Ternion's reliance on the representations and documents that it cited to be reasonable in the circumstances.

iii. Ternion made misleading representations to clients

16. Ternion did not provide a complete and accurate disclosure of the Seaport Product to its clients. Most importantly, there is no evidence that any risks arising from the features of the Seaport Product as it was described to the RIE Division, such as potential tax consequences to clients, were discussed with the clients.

17. In fact, the Seaport Product appears to have been presented to clients as a legitimate way to use one's funds in a registered plan to purchase a real estate property on a tax-free basis. For example, on its website, Ternion marketed the Seaport Product as being "modeled" after the Home Buyers' Plan. Comparing the Seaport Product to the Home Buyers' Plan was misleading and disregarded the significant risks associated with the Seaport Product.

iv. Ternion failed to comply with its KYC and suitability obligations

18. Ternion failed to comply with its KYC and suitability obligations. Further to the findings of the compliance review, the RIE Division had significant concerns with the fact that the KYC and suitability analysis for clients that purchased the Seaport Product was completed during joint calls with a Seaport Credit Canada representative. In addition, Ternion's suitability analysis for clients was not consistently documented.

19. In any event, given the concerning and risky features of the Seaport Product, it is unlikely to be suitable for any investor.

v. Ternion failed to comply with the conflict of interest requirements

20. Since August 20, 2019, Ms. Travers has been the Chief Operating Officer of Vacation Capital Corporation (**VCC**). VCC shares common management with Seaport Credit Canada and provides administrative and management services to Seaport Credit Canada and other Seaport-related entities. Ms. Travers indicated that she prepared the promissory notes and the trust unit certificates for the Seaport Product as part of her role with VCC. She also said that she received an annual salary as compensation for her role with VCC.

21. In her Form 33-109F4 *Registration of Individuals and Review of Permitted Individuals*, Ms. Travers represented that she would transition out of her role with VCC to focus on her role with Ternion once workload and income were sustainable to do so. She also represented to the RIE Division during the review of Ternion's application for registration in 2022 that she would resign from VCC "as soon as Ternion [was] approved [for registration] and up and running". Despite these representations, and despite the fact that Ternion has been registered since June 2022, Ms. Travers has continued in her role with VCC.

22. Furthermore, the services that Ms. Travers provides through VCC with respect to the Seaport Product and the compensation that she receives for those services, the fact that the Seaport Product appears to be Ternion's main product, the referral arrangements between Ternion and Seaport Credit Canada, and Ms. Travers' close and long-standing relationship with VCC, Seaport Credit Canada and their principals, all give rise to material conflicts of interest that were not adequately identified or addressed by Ternion. The required information pertaining to these material conflicts of interest was also not adequately disclosed to clients.

23. Finally, Ms. Travers did not provide a sufficient explanation of the nature of the conflicts of interest arising from her role with VCC or explain how the conflicts were addressed as required. She also failed to take responsibility for Ternion's lack of compliance with its conflict of interest obligations.

D. Director's Decision

24. Section 28 of the Act provides that the Director may suspend the registration of a person or company if it appears to the Director that the person or company is not suitable for registration, has failed to comply with Ontario securities law, or if their registration is otherwise objectionable.

25. Ternion was advised, in the RIE Division's letter dated July 23, 2025 and in further correspondence with Ternion and its representatives, that it was entitled to an opportunity to be heard before the Director made a decision on the RIE Division's recommendation.

26. No opportunity to be heard was requested with respect to the RIE Division's recommendation.

27. My decision is that the registration of Ternion as an exempt market dealer, and the registration of Ms. Travers as the firm's UDP, CCO and dealing representative with Ternion, be suspended pursuant to section 28 of the Act.

September 3, 2025

"Dena Staikos"
Manager, Registration, Inspections and Examinations Division

B.3.5 Purpose Investments Inc. et al.

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – exchange traded mutual funds granted exemption from the concentration restriction in subsections 2.1(1) and 2.1(1.1) of NI 81-102 to permit an exchange traded fund to invest in accordance with its fundamental investment objective of seeking to provide: (a) long-term capital appreciation through purchasing and holding the Exchange-listed and traded equity securities of the single Canadian Public Issuer specified in the ETF's investment objectives, including, in the case of ETFs that are alternative mutual funds, by using leverage in accordance with NI 81-102 through cash borrowing; and (b) distributions by writing covered call options and/or cash covered put options on a portion of the ETF's portfolio; subject to conditions.

Applicable Legislative Provisions

National Instrument 81-102 Investment Funds, ss. 2.1(1) and 2.1(1.1) and 19.1.

August 15, 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
PURPOSE INVESTMENTS INC.
(Purpose)
AND ITS AFFILIATES
(collectively, the Filer)

AND

IN THE MATTER OF
PURPOSE RBC (RY) YIELD SHARES ETF,
PURPOSE TD (TD) YIELD SHARES ETF,
PURPOSE SHOPIFY (SHOP) YIELD SHARES ETF,
PURPOSE ENBRIDGE (ENB) YIELD SHARES ETF,
PURPOSE CANADIAN NATURAL RESOURCES (CNQ) YIELD SHARES ETF,
PURPOSE SCOTIABANK (BNS) YIELD SHARES ETF,
PURPOSE CIBC (CM) YIELD SHARES ETF,
PURPOSE BMO (BMO) YIELD SHARES ETF,
PURPOSE DOLLARAMA (DOL) YIELD SHARES ETF,
PURPOSE TELUS (T) YIELD SHARES ETF,
PURPOSE COUCHE-TARD (ATD) YIELD SHARES ETF,
PURPOSE NATIONAL BANK (NA) YIELD SHARES ETF,
PURPOSE BROOKFIELD (BN) YIELD SHARES ETF,
PURPOSE CANADIAN NATIONAL RAILWAY (CNR) YIELD SHARES ETF,
PURPOSE MANULIFE (MFC) YIELD SHARES ETF
(the Proposed ETFs)
AND SIMILAR FUTURE ETFS MANAGED BY THE FILER
(the Future ETFs, together with the Proposed ETFs, the ETFs)

DECISION

Background

The principal regulator in the Jurisdiction has received an application from the Filer on behalf of the ETFs for exemptive relief from subsections 2.1(1) and 2.1(1.1) of National Instrument 81-102 *Investment Funds* (**NI 81-102**) (the **Concentration Restriction**) to

permit each ETF to invest in excess of the Concentration Restriction in accordance with its fundamental investment objective of seeking to provide: (a) long-term capital appreciation through purchasing and holding the Exchange (as defined below)-listed and traded equity securities of the single Canadian (**CAD**) Public Issuer (as defined below) specified in the ETF's investment objectives (referred to below as the **Portfolio Securities** and the **Specified CAD Public Issuer**, respectively), including, in the case of ETFs that are alternative mutual funds, by using leverage in accordance with NI 81-102 through cash borrowing for purchasing the Portfolio Securities; and (b) distributions by writing covered call options and/or cash covered put options on a portion of the ETF's portfolio (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 other than the Jurisdiction (together with the Jurisdiction, the **Canadian Jurisdictions**).

Interpretation

Terms defined in National Instrument 14-101 *Definitions* (**NI 14-101**), National Instrument 41-101 *General Prospectus Requirements* (**NI 41-101**) or in NI 81-102 have the same meaning if used in this decision unless otherwise defined herein:

Designated Broker means a registered dealer that has entered, or intends to enter, into an agreement with the Filer to perform certain duties in relation to the ETF, including the posting of a liquid two-way market for the trading of the ETF Securities on an Exchange or another Marketplace.

ETF Security means an exchange-traded unit or share of an ETF listed on an Exchange.

Exchange means a "recognized exchange" as defined in National Instrument 21-101 *Marketplace Operations* (**NI 21-101**).

Marketplace means a "marketplace" as defined in NI 21-101 that is located in Canada.

Canadian (CAD) Public Issuer means a public company: (i) that is incorporated in Canada; (ii) whose Portfolio Securities are listed on an Exchange; (iii) that has an average market capitalization in excess of CAD $20 billion in the month before the date that the ETF Securities of the relevant ETF are listed on an Exchange; and (iv) whose Portfolio Securities have an average daily trading volume in the month before the date that the ETF Securities of the relevant ETF are listed on an Exchange in excess of CAD $75 million (collectively, the **CAD Public Issuer Requirements**).

Securityholders means beneficial or registered holders of ETF Securities.

Representations

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

The Filer and the ETFs

1. Purpose is a corporation incorporated under the laws of the Province of Ontario, with its head office located at 130 Adelaide St. West, Suite 3100, Toronto, Ontario.

2. Purpose is registered as (a) an investment fund manager, exempt market dealer, portfolio manager and commodity trading manager in the province of Ontario, (b) an investment fund manager and exempt market dealer in the provinces of Alberta, Manitoba, New Brunswick, Newfoundland and Labrador, Nova Scotia, Prince Edward Island and Saskatchewan, and (c) an investment fund manager, exempt market dealer and portfolio manager in British Columbia and Quebec.

3. The Filer will be the registered investment fund manager and registered portfolio manager of the ETFs. The Filer will apply to list the ETF Securities on an Exchange.

4. The Filer and the Proposed ETFs are not in default of securities legislation in any of the Canadian Jurisdictions.

5. Each Proposed ETF will be an exchange traded mutual fund that is a separate class of shares of a mutual fund corporation governed by the laws of the Province of Ontario. Each Future ETF will be an exchange-traded mutual fund that is a trust, corporation or separate class of shares of a mutual fund corporation governed by the laws of a Canadian Jurisdiction.

6. Each Proposed ETF will be an open-ended alternative mutual fund (as defined in NI 81-102) and each Future ETF will be an open-ended non-alternative mutual fund or open-ended alternative mutual fund subject to NI 81-102.

7. The ETFs will be subject to NI 81-102, subject to any exemptions that may be granted by the applicable securities regulatory authorities.

8. The Filer will file a final long form prospectus in respect of each of the ETFs which will be prepared and filed in accordance with NI 41-101, subject to any exemptions that may be granted by the applicable securities regulatory authorities.

9. Each ETF will be a reporting issuer under the laws of one or more of the Canadian Jurisdictions.

10. ETF Securities will be (subject to satisfying the original listing requirements of the applicable Exchange) listed on an Exchange.

11. Designated Brokers will act as intermediaries between investors and the ETFs, performing a market-making function, including by standing in the market with bid and ask prices for the ETF Securities to maintain a liquid market for the ETF Securities. The majority of trading in ETF Securities will occur in the secondary market.

12. The fundamental investment objective of each ETF will be to seek to provide:

    (a) long-term capital appreciation through purchasing and holding the Portfolio Securities of the Specified CAD Public Issuer, including, in the case of alternative mutual funds, by using leverage in accordance with NI 81-102 through cash borrowing to purchase Portfolio Securities; and

    (b) distributions by writing covered call options and/or cash covered put options on a portion of the ETF's portfolio.

13. Specifically, the Portfolio Securities and the Specified CAD Public Issuer for each of the Proposed ETFs will be as follows:

ETF Name	Portfolio Securities	Specified CAD Public Issuer
Purpose RBC (RY) Yield Shares ETF	Common shares	Royal Bank of Canada
Purpose TD (TD) Yield Shares ETF	Common shares	The Toronto-Dominion Bank
Purpose Shopify (SHOP) Yield Shares ETF	Class A subordinate voting shares	Shopify Inc.
Purpose Enbridge (ENB) Yield Shares ETF	Common shares	Enbridge Inc.
Purpose Canadian Natural Resources (CNQ) Purpose ETF	Common shares	Canadian Natural Resources Limited
Purpose Scotiabank (BNS) Yield Shares ETF	Common shares	The Bank of Nova Scotia
Purpose CIBC (CM) Yield Shares ETF	Common shares	Canadian Imperial Bank of Commerce
Purpose BMO (BMO) Yield Shares ETF	Common shares	Bank of Montreal
Purpose Dollarama (DOL) Yield Shares ETF	Common shares	Dollarama Inc.
Purpose TELUS (T) Yield Shares ETF	Common shares	TELUS Corporation
Purpose Couche-Tard (ATD) Yield Shares ETF	Common shares	Alimentation Couche-Tard Inc.
Purpose National Bank (NA) Yield Shares ETF	Common shares	National Bank of Canada
Purpose Brookfield (BN) Yield Shares ETF	Common shares	Brookfield Corporation
Purpose Canadian National Railway (CNR) Yield Shares ETF	Common shares	Canadian National Railway Company
Purpose Manulife (MFC) Yield Shares ETF	Common shares	Manulife Financial Corporation

14. Each ETF will use a ticker symbol the Filer believes is unlikely to be confused with the ticker symbol for the Portfolio Securities and the Specified CAD Public Issuer for the ETF.

15. Distribution of ETF Securities (**Distribution**) will be conducted without the knowledge or consent of the Specified CAD Public Issuers and the Filer will as a general matter not have direct knowledge of or access to material information regarding the Specified CAD Public Issuers or Portfolio Securities other than publicly available information.

Disclosure

16. The prospectus of each ETF (the **Prospectus**) will disclose:

    (a) the name of each ETF using the convention reflected in this decision for the Proposed ETFs;

    (b) the investment objective and investment strategy of each ETF as well as the risk factors associated therewith, including concentration risk;

    (c) the fact that the ETF has obtained the Exemption Sought to permit the purchase of the Portfolio Securities on the terms described in this decision;

    (d) the ways in which, and the extent to which, purchasing and holding the ETF Securities can be expected to be different from directly purchasing and holding the Portfolio Securities and the factors influencing these differences (such as the ETF's cash-borrowing and option-writing strategies), including in respect of performance, returns and securityholder rights;

    (e) that the ETF's investment in the Portfolio Securities will be a passive investment;

    (f) the Filer's specific policies and procedures for making proxy voting and tender decisions in respect of the Specified CAD Public Issuer and the expected outcomes for the ETF of such decisions in potential scenarios, such as merger or other restructuring of the Specified CAD Public Issuer, a sale of part or all of its business, or bankruptcy of the Specified CAD Public Issuer and other scenarios; and

    (g) prominently, a statement substantially similar to the following:

    Investors investing, or considering investment, in an ETF (which invests in a single underlying corporate issuer) should consider their ongoing obligations with respect to insider trading, insider reporting, and take-over bids under the Ontario Securities Act (the Act) or other relevant securities legislation and National Instruments and as explained in National Policies. Securities regulators may take the view that these provisions extend to the purchase and sale of securities of ETFs that invest in securities of a single issuer, including on a look-through basis.

    For example:

    - *Under section 76(1) of the Act, individuals or entities in a special relationship with an issuer are prohibited from purchasing or selling securities of that issuer with knowledge of a material fact or material change that has not been generally disclosed. Securities regulators may take the view that this prohibition extends to the purchase and sale of securities of ETFs that invest in securities of a single issuer;*

    - *Securities regulators may take the view that the insider reporting requirements in section 107 of the Act apply in respect of purchases of securities of ETFs that invest in securities of a single issuer; and*

    - *Where ETF units are redeemable for securities of the ETF's single underlying issuer, securities regulators may consider those ETF units convertible securities under section 1.7 of National Instrument 62-104 Take-Over Bids and Issuer Bids (NI 62-104) that count, on a post conversion-basis in respect of the underlying issuer, towards the early warning reporting thresholds in Part 5 of NI 62-104.*

    Investors are strongly encouraged to seek advice including legal advice to fully understand their insider trading, insider reporting, and take-over bids obligations and how they relate to investment in these ETFs. Investors are reminded that they are required to comply with these obligations. Purchasing a single-issuer ETF is not equivalent to holding the securities of the underlying issuer directly; investors may not have the same rights and may be subject to additional risks, as further described in this prospectus.

17. In the manner similarly contemplated for equity linked notes under CSA Staff Notice 44-304 *Linked Notes Distributed under Shelf Prospectus System* (or **SN 44-304**), the Prospectus will provide only abbreviated disclosure in respect of the Portfolio Securities and the Specified CAD Public Issuer based on publicly available information.

18. The Filer intends to meet the full, true and plain disclosure requirement of the Legislation in connection with the ETF Securities without having responsibility for the accuracy of disclosure issued by the Specified CAD Public Issuer in respect of the Portfolio Securities.

19. As similarly contemplated for equity linked notes under SN 44-304, the Prospectus will direct investors to public disclosure made available by the Specified CAD Public Issuer in respect of the Portfolio Securities in accordance with applicable

Canadian legislation. The Prospectus will also clarify that such disclosure and other information made publicly available about the Portfolio Securities and the Specified CAD Public Issuer on the Filer's website and otherwise cannot be expected to contemplate the Distribution. The Prospectus will clearly state that the Filer is not the source of disclosure relating to the Portfolio Securities and the Specified CAD Public Issuer and will clearly disclaim the Filer's responsibility both for verifying the accuracy of such disclosure and for updating such disclosure. To meet the full, true and plain disclosure requirement, the Prospectus will disclose that the Specified CAD Public Issuer will not receive a direct or indirect financing benefit from the Distribution.

Reasons for the Exemption Sought

20. The ETFs cannot pursue their fundamental investment objectives without the Exemption Sought.

21. The Filer submits that each ETF's strategy to acquire Portfolio Securities will be transparent, passive and fully disclosed to investors. An ETF will not invest in securities other than Portfolio Securities.

22. The Filer submits that an ETF that relies on the Exemption Sought would be analogous to an investment fund that relies on the exception to the Concentration Restriction in subsection 2.1(2) of NI 81-102 for purchases of equity securities by a "fixed portfolio investment fund", as defined in NI 81-102, in accordance with its investment objectives. The Filer submits that the only difference would be that the ETFs are in continuous distribution and the ETF Securities are redeemable on each trading day, accordingly, the ETFs will buy and sell Portfolio Securities as may be required in connection with subscription and redemption requests received by the ETF. However, the Filer submits that the existence of the ETF's Designated Broker should mean that the ETF Securities (which are listed on an Exchange) will not trade at a discount to the net asset value (or NAV) per ETF Security which may more likely be the case for a "fixed portfolio investment fund".

23. The Specified CAD Public Issuers will be among the largest public issuers in Canada. The Portfolio Securities will be some of the most liquid equity securities listed on the Toronto Stock Exchange and Cboe Canada Inc. and will be less likely to be subject to liquidity concerns than the securities of other issuers.

24. The Filer believes that any risks associated with an investment in only a single Specified CAD Public Issuer in reliance on the Exemption Sought will be mitigated by the fact that the Portfolio Securities are highly liquid and that there is a robust liquid options market for these securities.

25. Given the market price per Portfolio Security of certain of the Specified CAD Public Issuers, the ETFs would provide investors in certain of the ETFs with the ability to get access and obtain meaningful exposure to the Portfolio Securities given the ETF size.

26. The Filer submits that, in the case of any ETF which is an alternative mutual fund that uses leverage, as result of its role as an experienced portfolio manager and investment fund manager, it is in a position to borrow at more competitive rates than retail investors and accordingly that such ETFs would provide their investors with leveraged exposure to the Specified CAD Public Issuers at rates that are more competitive than retail investors would ordinarily be able to achieve on their own.

27. The Filer submits that, given professional advisors will oversee the ETFs' writing of covered call options and/or cash covered put options on portfolio holdings, the ETFs will provide retail investors with exposure to an option writing strategy undertaken by a professional manager with experience writing options that will provide downside protection and limit the impact of potential losses on the Specified CAD Public Issuers in the event of market downturns. Something that the investors would likely not be able to achieve if investing directly.

28. Accordingly, the Filer believes that the ETFs will provide investors with a convenient, efficient and competitive product which provides investors with more than just exposure to a single Specified CAD Public Issuer.

29. The Filer does not expect that the trading of the ETF Securities of the ETFs (and the purchase and sale of the Portfolio Securities of the Specified CAD Public Issuers in connection therewith) will impact normal trading in the market for the public listed securities of the Specified CAD Public Issuers given (a) the market capitalization and liquidity of the public listed securities of the Specified CAD Public Issuers and (b) the market making activities performed by professional Designated Brokers on behalf of the ETFs in accordance with the market maker rules of the applicable Exchange which require Designated Brokers to maintain an orderly liquid market for trading in the ETF Securities of the ETFs.

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, provided that:

(a) but for the fact that ETF Securities may be subscribed for or redeemed on each trading day (i.e. the ETFs being in continuous distribution), each ETF otherwise meets the definition of "fixed portfolio investment fund" in NI 81-102;

(b) any purchase by an ETF of the Portfolio Securities is in accordance with the investment objectives of the ETF;

(c) at the time that the ETF Securities are listed on an Exchange, the Specified CAD Public Issuer and its Portfolio Securities satisfy the CAD Public Issuer Requirements;

(d) no ETF will purchase Portfolio Securities if the ETF would, as a result of such purchase, become an insider of the Specified CAD Public Issuer;

(e) each ETF's prospectus contains the disclosure referred to in representations 16 through 19 above;

(f) the Filer will not permit an ETF to be used as a financing vehicle by a Specified CAD Public Issuer or to permit an indirect offering of Portfolio Securities into a jurisdiction of Canada;

(g) no ETF will inter-list in the United States of America or any other foreign marketplace; and

(h) no ETF will purchase securities of the Specified CAD Public Issuer, if immediately following such purchase, the ETF would hold securities of the Specified CAD Public Issuer in an amount exceeding 1% of the Specified CAD Public Issuer's total market capitalization.

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

Application File #: 2025/0529
SEDAR+ File #: 06335234

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B.4
Cease Trading Orders

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

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

Failure to File Cease Trade Orders

Company Name	Date of Order	Date of Revocation
New World Solutions Inc.	September 4, 2025	
Voxtur Analytics Corp.	September 5, 2025	

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	

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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:
Nymbus Multistrategy Fund
Nymbus Sustainable Enhanced Bonds Fund
Nymbus Sustainable Enhanced Short-Term Bonds Fund
Principal Regulator – Quebec
Type and Date:
Preliminary Simplified Prospectus dated Aug 28, 2025
NP 11-202 Preliminary Receipt dated Sep 5, 2025
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Filing # 06334487

Issuer Name:
Rocklinc Principled Equity ETF
Principal Regulator – Ontario
Type and Date:
Preliminary Long Form Prospectus dated Aug 25, 2025
NP 11-202 Preliminary Receipt dated Sep 2, 2025
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Filing # 06328788

Issuer Name:
Ninepoint 2025 Short Duration Flow-Through Limited Partnership
Principal Regulator – Ontario
Type and Date:
Preliminary Long Form Prospectus dated Aug 29, 2025
NP 11-202 Preliminary Receipt dated Sep 2, 2025
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Filing # 06334203

Issuer Name:
CI Target 2028 Investment Grade Bond Fund
CI Target 2029 Investment Grade Bond Fund
CI Target 2030 Investment Grade Bond Fund
Principal Regulator – Ontario
Type and Date:
Preliminary Simplified Prospectus dated Sep 3, 2025
NP 11-202 Preliminary Receipt dated Sep 3, 2025
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Filing # 06335197

Issuer Name:
3iQ Solana Staking ETF
Principal Regulator – Ontario
Type and Date:
Amendment No. 1 to Final Long Form Prospectus dated Aug 22, 2025
NP 11-202 Final Receipt dated Sep 2, 2025
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Filing # 06233029

Issuer Name:
3iQ Ether Staking ETF
Principal Regulator – Ontario
Type and Date:
Amendment No. 1 to Final Long Form Prospectus dated Aug 22, 2025
NP 11-202 Final Receipt dated Sept 2, 2025
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Filing # 06246527

Issuer Name:
Chorus II 100 per cent Equity Growth Portfolio
Chorus II Aggressive Growth Portfolio
Chorus II Balanced Low Volatility Portfolio
Chorus II Conservative Low Volatility Portfolio
Chorus II Growth Portfolio
Chorus II Maximum Growth Portfolio
Chorus II Moderate Low Volatility Portfolio
Desjardins Agressive ETF Portfolio
Desjardins American Equity Growth Currency Neutral Fund
Desjardins American Equity Growth Fund
Desjardins American Equity Value Fund
Desjardins Balanced ETF Portfolio
Desjardins Canadian Bond Fund
Desjardins Canadian Corporate Bond Fund
Desjardins Canadian Equity Focused Fund
Desjardins Canadian Equity Fund
Desjardins Canadian Equity Income Fund
Desjardins Canadian Preferred Share Fund
Desjardins Canadian Small Cap Equity Fund
Desjardins Conservative ETF Portfolio
Desjardins Dividend Balanced Fund
Desjardins Dividend Growth Fund
Desjardins Emerging Markets Bond Fund
Desjardins Emerging Markets Fund
Desjardins Emerging Markets Opportunities Fund
Desjardins Enhanced Bond Fund
Desjardins Floating Rate Income Fund
Desjardins Global Balanced Growth Fund
Desjardins Global Balanced Strategic Income Fund
Desjardins Global Corporate Bond Fund
Desjardins Global Dividend Fund
Desjardins Global Equity ETF Portfolio
Desjardins Global Equity Fund
Desjardins Global Equity Growth Fund
Desjardins Global Government Bond Index Fund
Desjardins Global High Yield Bond Fund
Desjardins Global Infrastructure Fund
Desjardins Global Managed Bond Fund
Desjardins Global Small Cap Equity Fund
Desjardins Global Tactical Bond Fund
Desjardins Global Total Return Bond Fund
Desjardins Growth ETF Portfolio
Desjardins International Equity Value Fund
Desjardins Low Volatility Canadian Equity Fund
Desjardins Low Volatility Global Equity Fund
Desjardins Market Neutral ETF Fund
Desjardins Moderate ETF Portfolio
Desjardins Money Market Fund
Desjardins Overseas Equity Fund
Desjardins Overseas Equity Growth Fund
Desjardins Québec Balanced Fund
Desjardins Short-Term Income Fund
Desjardins Sustainable 100 % Equity Portfolio
Desjardins Sustainable American Equity Fund
Desjardins Sustainable American Small Cap Equity Fund
Desjardins Sustainable Balanced Portfolio
Desjardins Sustainable Canadian Bond Fund
Desjardins Sustainable Canadian Corporate Bond Fund
Desjardins Sustainable Canadian Equity Fund
Desjardins Sustainable Canadian Equity Income Fund
Desjardins Sustainable Cleantech Fund
Desjardins Sustainable Conservative Portfolio
Desjardins Sustainable Diversity Fund
Desjardins Sustainable Emerging Markets Bond Fund
Desjardins Sustainable Emerging Markets Equity Fund
Desjardins Sustainable Environmental Bond Fund
Desjardins Sustainable Fixed Income Portfolio
Desjardins Sustainable Global Balanced Fund
Desjardins Sustainable Global Bond Fund
Desjardins Sustainable Global Corporate Bond Fund
Desjardins Sustainable Global Dividend Fund
Desjardins Sustainable Global Managed Bond Fund
Desjardins Sustainable Global Opportunities Fund
Desjardins Sustainable Growth Portfolio
Desjardins Sustainable International EquityFund
Desjardins Sustainable International Small Cap Equity Fund
Desjardins Sustainable Low Volatility Global Equity Fund
Desjardins Sustainable Maximum Growth Portfolio
Desjardins Sustainable Moderate Portfolio
Desjardins Sustainable Positive Change Fund
Desjardins Sustainable Short-Term Income Fund
Desjardins Tactical Asset Allocation Fund
Melodia 100 per cent Equity Growth Portfolio
Melodia Balanced Growth Portfolio
Melodia Conservative Income Portfolio
Melodia Diversified Growth Portfolio
Melodia Diversified Income Portfolio
Melodia Maximum Growth Portfolio
Melodia Moderate Growth Portfolio
Melodia Moderate Income Portfolio
Melodia Very Conservative Income Portfolio
Principal Regulator – Quebec
Type and Date:
Amendment No. 3 to Final Simplified Prospectus dated Aug 28, 2025
NP 11-202 Final Receipt dated Sep 8, 2025
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Filing # 06231664

Issuer Name:
BMO BBB CLO ETF
Principal Regulator – Ontario
Type and Date:
Final Long Form Prospectus dated Aug 28, 2025
NP 11-202 Final Receipt dated Sep 2, 2025
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Filing # 06306714

Issuer Name:
Evolve US Equity UltraYield ETF
Principal Regulator – Ontario
Type and Date:
Final Long Form Prospectus dated Sep 3, 2025
NP 11-202 Final Receipt dated Sep 4, 2025
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Filing # 06324181

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NON-INVESTMENT FUNDS

Issuer Name:
Silvercorp Metals Inc.
Principal Regulator – British Columbia
Type and Date:
Final Shelf Prospectus dated September 4, 2025
NP 11-202 Final Receipt dated September 4, 2025
Offering Price and Description:
Common Shares, Preferred Shares, Debt Securities, Warrants, Subscription Receipts
Filing # 06335596

Issuer Name:
Perseverance Metals Inc.
Principal Regulator – British Columbia
Type and Date:
Preliminary and Amendment to Preliminary Long Form Prospectus dated August 29, 2025
NP 11-202 Amendment Receipt dated September 4, 2025
Offering Price and Description:
Minimum Offering: 2,000,000 Common Shares and 1,000,000 Warrants issuable upon deemed exercise of 2,000,000 Subscription Receipts and 140,000 Finder Warrants
Maximum Offering: Up to 8,712,374 Common Shares and 4,356,186 Warrants issuable upon deemed exercise of up to 8,712,374 Subscription Receipts and up to 609,866 Finder Warrants
Filing # 06310980

Issuer Name:
DeFi Technologies Inc.
Principal Regulator – Ontario
Type and Date:
Final Shelf Prospectus dated August 29, 2025
NP 11-202 Final Receipt dated September 4, 2025
Offering Price and Description:
Common Shares, Debt Securities, Warrants, Subscription Receipts, Convertible Securities, Units
Filing # 06333324

B.10
Registrations

B.10.1 Registrants

Type	Company	Category of Registration	Effective Date
Name Change	From: OPTIMIZE INC. To: OPTIMIZE GLOBAL ASSET MANAGEMENT INC.	Exempt Market Dealer, Investment Fund Manager and Portfolio Manager	May 1, 2025

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B.11
CIRO, Marketplaces, Clearing Agencies and Trade Repositories

B.11.2 Marketplaces

B.11.2.1 Nasdaq CXC Limited – Introduction of CXD Conditional Order Book, CXD Connect and PureStream Connect – Notice of Approval

NASDAQ CXC LIMITED

NOTICE OF APPROVAL

INTRODUCTION OF CXD CONDITIONAL ORDER BOOK, CXD CONNECT AND PURESTREAM CONNECT

In accordance with the requirements set out in the Process for the Review and Approval of Rules and the Information Contained in Form 21-101F1 and the Exhibits Thereto (**Exchange Protocol**), the Ontario Securities Commission (**OSC** or **Commission**) approved amendments to the Nasdaq CXC Limited's (**Nasdaq Canada**) Form 21-101F1 that include the introduction of a CXD Conditional Order Book (supporting CXD Conditional Orders and Extended Firm-Up Time Conditional Orders), and CXD Connect and PureStream Connect features to the CXD Trading Book. The amendments also include removing the Liquidity Seeking Order from PureStream's market model.

Nasdaq Canada's Notice and Request for Comment on the proposed functionality was published on the Commission's website and in the Commission's Bulletin on May 8, 2025 at (2025) 48 OSCB 4332. One comment letter was received; a *Summary of Comments and Response* is provided below.

The new functionality is expected to be introduced in October 2025. Nasdaq Canada will send a Notice communicating the effective date of this change.

SUMMARY OF COMMENT AND RESPONSE

Note: The response to the comment reflects the views of Nasdaq Canada and do not necessary reflect the views of the Ontario Securities Commission (OSC)

The following is a summary of comments received in response to Nasdaq CXC Limited's (**Nasdaq Canada, or we**) Notice and Request for Comment regarding its proposal to introduce a CXD Conditional Order Book (supporting CXD Conditional Orders and Extended Firm Up Time Orders), and CXD Connect and PureStream Connect features to the CXD Trading Book (together, **Proposed Changes**) published on May 8, 2025. One comment letter was received in response to the Notice from the following market participant:

1. Canadian Forum for Financial Markets

GENERAL COMMENT	NASDAQ CANADA RESPONSE
The commenter noted that the Proposed Changes did not include a cost-benefit analysis.	The Proposed Changes were filed in accordance with the requirements set out in the Process for the Review and Approval of Rules and the Information Contained in Form 21-101F1 and the Exhibits Thereto (**Exchange Protocol**). The Exchange Protocol does not require a cost-benefit analysis to be completed. We note however that similar considerations with regard to the benefits of the Proposed Changes are included in rationale and the expected impact of the Proposed Changes on market structure are included in each respective section of the Notice.
The commenter noted that the Proposed Changes will increase fragmentation with the introduction of the CXD Conditional Order Book.	While we recognize that Proposed Changes will create an additional order book within CXD, the introduction of CXD Connect and PureStream Connect will actually decrease fragmentation by permitting the integration of these order books within CXD that is not available today.
The commenter noted that "no alternatives were considered" by the Exchange in the Request for Comments.	We note that it is common for marketplaces to indicate that no alternatives were considered as part of the Exchange Protocol when it is accurate. In the case of the Proposed Changes which are very specific and very technical, there were no alternatives considered. The absence of there being alternative considered should not be an impediment to regulatory approval for the Proposed Changes.
The commenter raised an issue that a complicated structure which deliberately automates the holding up of orders, with the possibility of "shaped" order flow in a non-transparent manner, could be used contrary to fair markets.	We do not see an fairness issues with the introduction of additional conditional orders as they will be made available to all members, conditional order types are supported in the market today, and because they will encourage large block size orders that otherwise would be traded in the upstairs market to be traded electronically on a marketplace where they can achieve better execution outcomes while also increasing liquidity and access to more participants.
The commenter believed that the Exemptive Relief application should have been reproduced as a schedule to the Proposed Changes to better inform public comment.	We note that the Exemptive Relief application follows an independent process outside the purview of the Exchange Protocol and that previous exemptions (including the existing exemption in place for Nasdaq CXC Limited dated August 18, 2022) are published in the OSC Bulletin and available on the OSC website.

B.11.2.2 TSX Inc. – Market on Open Auction – Notice of Approval

TSX INC.

NOTICE OF APPROVAL

MARKET ON OPEN AUCTION

Introduction

In accordance with the Process for the Review and Approval of Rules and the Information Contained in Form 21-101F1 and the Exhibits thereto for recognized exchanges, TSX Inc. ("**TSX**") has adopted, and the Ontario Securities Commission has approved, certain amendments to the Toronto Stock Exchange Rule Book (the "**TSX Rules**") regarding certain proposed enhancements to the Market on Open auction ("**MOO**") as set out in the Notice of Proposed Amendments and Request for Comment (the "**Request for Comments**") published by TSX (the "**Amendments**").

Capitalized terms used and not otherwise defined in the Notice of Approval shall have the meaning ascribed to them in the Request for Comments.

Summary of the Amendments

A copy of the Amendments can be found at www.osc.ca.

Comments Received

On July 3, 2025, TSX published the Request for Comments and two comment letters were received. A summary of the comment letters received, together with TSX's responses, is attached as Appendix A. TSX thanks all commenters for their feedback and suggestions.

Effective Date

The Amendments will be effective in Q4 2025.

APPENDIX A

SUMMARY OF COMMENTS AND RESPONSES

List of Commenters:

National Bank Financial Inc. ("**NBF**")

The Bank of Nova Scotia ("**Scotiabank**")

	Summarized Comments Received	*TSX Response*
Introduction of the Market on Open Order Type		
1.	Both commenters were supportive of the proposed introduction of the MOO order type because the commenters were of the view that: ● This amendment would benefit all participants and would improve user experience without negative consequences. **(NBF)** ● This new order type will help clarify the process for investors relating to accessing the opening auction (even though the functionality already exists), and better aligns TMX with global standards. **(Scotiabank)**	TSX thanks the commenters for their feedback.
Identification of Opening Trades and Enhanced Transparency for Market on Open		
2	Both commenters were supportive of the proposed amendments relating to the identification of opening trades and publication of additional data because the commenter was of the view that: ● These amendments would improve user experience without negative consequences. **(NBF)** ● The new flag will be useful for post-trade reporting and analytics teams across the industry, and the enhanced data will be a valuable data point for the investment community, especially for market makers managing their MOO exposures. **(Scotiabank)**	TSX thanks the commenters for their feedback.
Odd Lot Execution at the Opening Price and Market Maker Obligation		
3.	One commenter was supportive of the proposed amendments regarding odd lot execution at the Opening Price because the commenter was of the view that is the "right thing to do for our marketplace" and aligns with both global standards, investor expectations and the treatment of odd lot orders in TSX's Market on Close. The commenter noted that odd lots are a significant part of the opening activity on TSX and that 70% of odd lot orders are executed at a different price than the official opening auction price. The commenter was of the view that this	TSX thanks the commenter for its feedback.

	Summarized Comments Received	*TSX Response*
	discrepancy (i.e. the dislocation) as a "bug" rather than a feature. **(Scotiabank)**	
4	One commenter was not supportive of the proposed amendments regarding odd lot execution at the Opening Price because the commenter was of the view that: ● the proposal does not adequately resolve underlying issues; ● registered trader participation would force market makers to enter wash trades to match offsetting liquidity, a function that should be performed by the matching engine rather than the dealer, which would also make the dealer responsible for choosing an opening price that incorporates odd lot liquidity demands, raising market integrity concerns; and ● significant development work and technological complexity would be introduced for the automated market making group at an already heavy time for trading infrastructure. **(NBF)**	The Exchange disagrees with the commenter's views. The Amendments do not require a dealer to choose an opening price, nor do they create a risk of self-trade. The Exchange does not believe that the Amendments encourage the use of self-trades. The Opening Price is determined solely by board lot activity through the matching engine, consistent with existing practice. Odd lots remain outside the price formation process and are executed transparently at the Opening Price, with Market Makers providing the fill but not determining the price. The Exchange is also of the view that the operational requirements are neither novel nor disproportionate. Similar obligations already exist in the continuous session and the closing auction, where Market Makers guarantee odd lot executions without undue burden. While the Exchange does not have full visibility into any participant's technology infrastructure, as is always the case, the Exchange strives to strike the balance between making changes that benefit the industry as a whole and minimizing development work and costs of its participants. The Exchange believes that the benefits of having odd lots execute at the Opening Price may warrant certain participants to undertake technological upgrades. The Exchange believes that the Amendments will further strengthen the industry's confidence in the MOO, and improve overall investor experience.
Other Comments		
5.	One commenter was supportive of the Amendments, viewing them as an improvement to the investor experience in Canada. **(Scotiabank)**	TSX thanks the commenter for its feedback.
6.	While one commenter was supportive of certain changes as described above, it was of the view that the overall Amendments would introduce significant risks, harm liquidity, and ultimately lead to poorer outcomes for investors. **(NBF)**	The Exchange strongly disagrees with the commenter's conclusion. The Amendments do not introduce risk or harm liquidity. Instead, they align the opening execution price for odd lots with global standards, and enhance transparency by introducing real-time imbalance data. The Amendments were designed with the goal of creating an overall positive MOO experience for all participants. The Exchange disagrees with the view that the Amendments are detrimental to investors. On the contrary, the Exchange believes that investors benefit when odd lots trade at the opening price, when Opening Trades are clearly identified, and when participants have greater transparency during price formation. The Exchange believes these improvements strengthen the integrity of the MOO, improve user experience, and are fully aligned with its mandate to maintain fair and orderly markets in the public interest.

B.11.2.3 TSX Inc. and TSX Venture Exchange Inc. – Proposed Amendments – Joint Notice and Request for Comments

JOINT NOTICE OF
PROPOSED AMENDMENTS AND REQUEST FOR COMMENTS

TSX INC. AND TSX VENTURE EXCHANGE INC.

TSX Inc. ("**TSX**") is publishing this Notice of Proposed Amendments and Request for Comments in accordance with the "Process for the Review and Approval of Rules and the Information Contained in Form 21-101F1 and the Exhibits Thereto", and TSX Venture Exchange ("**TSXV**" and together with TSX, the "**Exchanges**") is publishing this Notice of Proposed Amendments and Request for Comments, regarding the proposed introduction of a new ultra-low latency 10 Gigabit ("**Gb**") co-location network connectivity option on each of the Exchanges (the "**TMX Ultrα 10Gb Connectivity**"), and certain related fee changes (the "**Proposed Fee Changes**"), as further described below (collectively, the "**Amendments**").

Comments should be in writing and delivered by October 13, 2025 to:

Linda Zhang
Legal Counsel, Regulatory Affairs
TMX Group
100 Adelaide Street West, Suite 300 Toronto, Ontario M5H 1S3
Email: tsxrequestforcomments@tsx.com

A copy should also be provided to:

Trading & Markets Division
Ontario Securities Commission
20 Queen Street West
Toronto, Ontario M5H 3S8
TradingandMarkets@osc.gov.on.ca

Sasha Cekerevac
Manager, Market Oversight
Alberta Securities Commission
Suite 600, 250–5th St. SW
Calgary, Alberta, T2P 0R4
Sasha.Cekerevac@asc.ca

Michael Brady
Deputy Director, Capital Markets Regulation
British Columbia Securities Commission
701 West Georgia Street
Vancouver, British Columbia V7Y 1L2
mbrady@bcsc.bc.ca

Comments will be made publicly available unless confidentiality is requested. The Proposed Amendments will only become effective following public notice and comment and approval by each of the Alberta Securities Commission, British Columbia Securities Commission and Ontario Securities Commission.

Outline and Rationale for the Amendments

As part of the co-location products, the Exchanges currently offer the following connectivity options to TMX's Extranet (i.e. the gateway to TMX matching engines and market data feeds): (i) a redundant pair of 1 Gb/s connections (the "**1Gb Connectivity**")[1]; and (ii) a 10 Gb/s connectivity option (the "**Current 10Gb Connectivity**", and together with the Current 1Gb Connectivity, the "**Current Connectivity Offerings**").

The TMX Ultrα 10Gb Connectivity will be a new co-location network connectivity option for order entry and feed connectivity and will be an optional ultra-low latency service available to all new and existing co-location clients. By using optimized network infrastructure, the TMX Ultrα 10Gb Connectivity will provide lower latency access to TMX matching engines, with an estimated latency improvement of approximately 14 microseconds round-trip for Order Entry, and of approximately 1 microsecond for the receipt of market data feeds, compared to the Current Connectivity Offerings.

The TMX Ultrα 10Gb Connectivity will be offered by the Exchanges as an additional optional connectivity offering in response to: (i) increasing customer demand for minimized latency; (ii) the desire for the Exchanges to remain globally competitive; and (iii) the Exchanges' desire to provide customers with innovative and optimized trading technology and performance. The importance attributed to minimizing latency can vary by organizations and their business model. While the Current Connectivity Offerings reflect standard offerings within peer exchanges (both in Canada and internationally), there continues to be growing client demand for faster processing of message traffic, and the Exchanges aim to continually innovate to improve trading performance and meet the evolving requirements of Canadian capital market participants. The TMX Ultrα 10Gb Connectivity aims to meet this client demand by providing an option to decrease the time individual orders are processed, which is highly-valued among various market participants to support their selected business model. Such demand for latency-optimized services is not unique to the Exchanges. The TMX Ultrα 10Gb Connectivity is an offering that aligns with ultra-low latency 10Gb connectivity options other markets (e.g. NASDAQ US, New York Stock Exchange ("**NYSE**") and Deutsche Börse) have already adopted for their clients, in addition to existing 10Gb connectivity options.

[1] Each full or half cabinet offered by the Exchanges includes a redundant pair of 1Gb connections to TMX's Extranet.

The Proposed Fees in connection with the TMX Ultra 10Gb Connectivity are the following: (i) $5,200 per month for the first TMX Ultra 10Gb Connectivity; and (ii) $3,900 per month for each additional TMX Ultra 10Gb Connectivity, as set out in the table below.

Product Name	Rates (per month)	
Co-Location with Exchange Connectivity	**Current Fee**	**Proposed Fee**
Full cabinet(1)	$9,200	$9,200 (No Change)
Half cabinet(1)	$5,750	$5,750 (No Change)
Initial set-up fee	$5,750 (one-time fee)	$5,750 (No Change) (one-time fee)
Fee Reductions for Multi-Year Commitment to Full Cabinets	**Current Savings per Cabinet**	**Proposed Savings per Cabinet**
3 year term	$550	$550 (No Change)
4 year term	$1,125	$1,125 (No Change)
5 year term	$1,700	$1,700 (No Change)
Connectivity to TMX Extranet	**Current Fee**	**Proposed Fee**
First 10 Gb/s(2)	$1,725	$1,725 (No Change)
Each additional 10 Gb/s(2)	$1,150	$1,150 (No Change)
First TMX Ultra 10Gb Connectivity (3)	N/A	$5,200 (**Proposed Fee**)
Each additional TMX Ultra 10Gb Connectivity(3)	N/A	$3,900 (**Proposed Fee**)

Notes:

(1) Please note that the price of full cabinets and half cabinets includes two 1 Gb/s Exchange connections.
(2) Each 10Gb/s connection uses a single solid-core fibre optic cable.
(3) The TMX Ultra 10Gb Connectivity will be deployed using solid-core, single-mode-fibre optic cabling.

Blackline of the Proposed Fee Changes

A blackline of the Co-Location Fee Schedule to reflect the Proposed Fee Changes is attached at Appendix A.

Expected Date of Implementation

The Amendments will be implemented on November 3, 2025, subject to regulatory approval.

Expected impact on the market structure, members and, if applicable, on investors, issuers and capital markets

We do not anticipate any negative impact on the market structure, members, investors, issuers or the capital markets with respect to the Amendments. Each of the Exchanges believes that the Amendments are fair and reasonable, and will not create barriers to access. The TMX Ultra 10Gb Connectivity is optional and is being provided at a competitive and reasonable fee, expanding our Current Connectivity Offerings to meet diverse client needs.

We believe that the TMX Ultra 10Gb Connectivity will have a positive impact as the service offering: (i) addresses a market need; (ii) allows for a more efficient use of networking equipment for participants that wish to use the service; and (iii) remains accessible to all participants.

Technical developments are not required for clients who wish to utilize the TMX Ultra 10Gb Connectivity, as the TMX Ultra 10Gb Connectivity leverages the common 10G Ethernet standard which is widely used in our co-location facility today.

The 1Gb Connectivity and Current 10Gb Connectivity will continue to be available to existing and new clients and to provide sufficient bandwidth for order entry and market data feed delivery. Customers whose business needs are being met by the Current Connectivity Options will continue to have the option to access both the 1Gb Connectivity and the Current 10Gb Connectivity. Customers will also have the option to utilize simultaneously the TMX Ultra 10Gb Connectivity and the Current Connectivity Offerings. Appropriate internal technology controls and operational procedures will be implemented to ensure there is no change in latency to the Current Connectivity Offerings following the implementation of the TMX Ultra 10Gb Connectivity.

Please see below for a table demonstrating the fees involved for: (i) a new client that does not currently take any co-location products and takes one TMX Ultra 10Gb Connectivity; and (ii) an existing client upgrading to the TMX Ultra 10Gb Connectivity. For an existing client taking one Current 10Gb Connectivity, upgrading to one TMX Ultra 10Gb Connectivity will represent a monthly increase of $3,475. As further discussed under the section entitled "Do the Proposed Fees introduce a fee model that currently exists in other markets or jurisdictions", this monthly increase is generally lower than, or comparable to, fees charged by our international peers for a comparable upgrade.

Product Name	**Example 1: New co-location client**[3]	**Example 2: Existing client upgrading to the TMX Ultra 10Gb Connectivity**[4]	
Co-Location Product[1][2]	**Amount payable for one full cabinet and one TMX Ultra 10Gb Connectivity**	**Amount currently payable for one full cabinet and one Current 10Gb Connectivity**	**Amount payable for one full cabinet and one TMX Ultra 10Gb Connectivity**
Full cabinet[2]	$9,200 per month	$9,200 per month	$9,200 per month
Initial Set Up Fee	$5,750 (one-time fee)	N/A[5]	N/A[5]
First 10 Gb/s connectivity	–	$1,725 per month	–
First TMX Ultra 10Gb/s Connectivity	$5,200 per month	–	$5,200 per month
Total Monthly Fees	**$20,150** for the first month, then **$14,400** per month (excludes the one-time set up fee of $5,750 referred to above)	**$10,925**	**$14,400**

Notes:

(1) The table assumes implementation of the Proposed Fees and does not take into account fee reductions for multi-year commitment to full cabinets.
(2) Please note that the price of full cabinets and half cabinets includes two 1 Gb/s Exchange connections.
(3) The existing, one-time initial set up fee of $5,750 to take co-location products will continue to apply to new co-location clients, which will include any new co-location clients wishing to access the TMX Ultra 10Gb Connectivity.
(4) Assumes the existing client has already paid for the initial one-time set up fee of $5,750.
(5) Existing clients, who have already paid the one-time initial set up fee to take co-location products, will not have to pay any additional installation or set-up fees to access the TMX Ultra 10Gb Connectivity.

Expected impact of the Amendments on each of the Exchanges' compliance with applicable securities law and in particular on requirements for fair access and maintenance of fair and orderly markets

We believe that the Amendments are in compliance with applicable securities law, and in particular with requirements for fair access and maintenance of fair and orderly markets. Execution speed and efficiency are important drivers of fair and orderly markets, and the Exchanges believe that providing a service that is available to all co-location clients which promotes these drivers will enhance market access and trading operations. The TMX Ultra 10Gb Connectivity will be available to all clients who choose to subscribe, based on their individual commercial and business requirements or preferences.

We recognize that different participants have varying business needs and strategies. The TMX Ultra 10Gb Connectivity is an entirely voluntary upgrade, designed to provide a choice for clients whose business needs are sensitive to optimized latency profiles. Our internal estimates suggest that less than 50% of current co-location clients are anticipated to voluntarily upgrade, demonstrating that the service is not expected to become a de facto necessity for all participants. Additionally, a participant who does not subscribe to the TMX Ultra 10Gb Connectivity can still achieve comparable or even superior latency performance by optimizing the technology architecture within their own co-location cabinet.

When determining the fee for this optional service, a primary objective was to ensure that the fee was competitively positioned to promote accessibility to such service across a broad client base while simultaneously ensuring that the service is commercially viable. The Exchanges believe the Proposed Fees to be fair and reasonable. The TMX Ultra 10Gb Connectivity has been designed using the latest generation of network and security technology and will involve the purchase of new hardware by the Exchanges. In offering the TMX Ultra 10Gb Connectivity, each of the Exchanges will incur various costs pertaining to the data center where the network resides, hardware and equipment costs, and costs related to installation, testing and on-going support. The Proposed Fees will help offset the costs incurred by each of the Exchanges for this optional service.

As mentioned earlier, the Exchanges will continue to provide the Current Connectivity Offerings and co-location clients will have the option to choose to remain with the Current Connectivity Offerings. All co-location clients that voluntarily choose the TMX Ultra 10Gb Connectivity will be charged in the same amount and manner to cover the hardware, installation, testing and connection costs to maintain and manage this optional offering.

Public Interest

For the reasons mentioned above, each of the Exchanges is of the view that the Amendments are not contrary to the public interest.

Consultations undertaken in formulating the Amendments, including the internal governance process

In formulating the Amendments, the internal governance process for each of the Exchanges was followed, which included receipt of the appropriate management-level approval, and all applicable internal groups at each of the Exchanges were consulted, were supportive of the Amendments, and considered them to be reasonable.

A diverse array of market participants, representing more than 75% of the total footprint amongst the Exchanges' colocation cabinets, were consulted in formulating the Amendments. The Exchanges conducted consultations with a wide range of co-location clients, that can be broadly classified in the following categories: (i) data vendors; (ii) market makers that are not proprietary and high-frequency trading firms (e.g. banks); and (iii) proprietary and high-frequency trading firms. These clients are generally based in Canada and in the U.S.

Clients were provided with an overview of the TMX Ultra 10Gb Connectivity, including the anticipated product performance and pricing information. Market participants were generally supportive of the TMX Ultra 10Gb Connectivity, citing alignment with strategic objectives, the desire to stay competitive in dynamic trading landscapes, and the desire to optimize performance. Market participants generally did not express any concerns with the price or consider the price as being unreasonable. Some participants expressed that they did not consider the TMX Ultra 10Gb Connectivity to be necessary to meet their specific business needs, but did not have concerns with the proposed introduction of the TMX Ultra 10Gb Connectivity. The feedback reinforces that TMX Ultra 10Gb Connectivity is an innovative, optional enhancement. As a result, participants can choose the service that best aligns with their business objectives, and it is not a mandatory upgrade for any firm.

Any alternatives considered

No alternatives were considered.

Do the Amendments introduce a fee model that currently exists in other markets or jurisdictions

A review of connectivity fee models of both Canadian and non-Canadian equity marketplaces was undertaken to assist in setting a fee model for the TMX Ultra 10Gb Connectivity. Currently, certain Canadian equity marketplaces offer a 10Gb connectivity for order entry and feed delivery (e.g., Canadian Securities Exchange, Cboe Canada, and Nasdaq Canada). We are unaware of any equity marketplaces in Canada that offer a lower latency 10Gb connectivity option similar to the TMX Ultra 10Gb Connectivity. However, we note that Nasdaq Canada currently offers a 1Gb "Ultra" connectivity option for $1,500 per month (without offering a similar "Ultra" option for its 10Gb connectivity) and does not offer a standard 1Gb Connection to their production environment. Additionally, certain marketplaces in the U.S. and internationally offer a similar service as the TMX Ultra 10Gb Connectivity (e.g., Nasdaq US, NYSE and Deutsche Börse).

The following table compares the Proposed Fees to the fees being charged by some of our international peers that offer a 10Gb connectivity and/or a lower latency 10Gb connectivity offering.

Our analysis reveals that the Proposed Fees are: (i) substantially lower than the fees charged by each of our international peers for an offering comparable to the TMX Ultra 10Gb Connectivity; and (ii) generally lower than, or comparable to, the fees charged by international peers that offer a 10Gb connectivity, but do not offer a service comparable to the TMX Ultra 10Gb Connectivity (e.g. LSE, Euronext). Each of our international peers prices their lower latency 10Gb connectivity at a premium over their standard 10Gb offering.

Exchange (prices in Canadian dollars)[1]	Price for first 10Gb Connectivity[2]	Price for first Lower Latency 10Gb Connectivity[2]
TSX	$1,725[3]	$5,200[4]
Nasdaq US	$15,060 (USD$11,000)	$22,590 (USD$16,500)
NYSE	$15,060 (USD$11,000)	$30,120 (USD$22,000)
LSE	$5,307 (GBP$2,875)	N/A
Deutsche Börse[5]	$19,170 (EUR$6,000 + EUR$6,000)	$21,087 (EUR$7,200 + EUR$6,000)

Exchange (prices in Canadian dollars)[1]	Price for first 10Gb Connectivity[2]	Price for first Lower Latency 10Gb Connectivity[2]
Euronext[6]	$13,582 (EUR$6,002 + EUR$2,500)	N/A

Notes:
(1) Fees converted to Canadian dollars using the following monthly rates for July 2025 as published by the Bank of Canada and rounded to the nearest dollar: USD$1 = CAD$1.3691, GBP$1 = CAD$1.8458, EUR$1 = CAD$1.5975.
(2) As noted above, the price of our full cabinets and half cabinets includes two 1 Gb connections. Each of our competitors listed in this table does not offer free connectivity to production.
(3) Price for the first Current 10Gb Connectivity. The price for each additional Current 10Gb Connectivity is $1,150.
(4) Price for the first TMX Ultra 10Gb Connectivity. The price for each additional TMX Ultra 10Gb Connectivity is $3,900.
(5) Deutsche Börse charges a connectivity fee to receive market data and a separate fee for the ability to submit orders. The Exchanges do not charge separate connectivity fees for order entry and feed connectivity.
(6) Euronext charges two separate connectivity fees for full access to their marketplaces.

The following table compares the cost of a full cabinet and one TMX Ultra 10Gb Connectivity against: (i) the price for a comparable service at other international exchanges; and (ii) the cost of a cabinet with a standard 10Gb connectivity, including for exchanges that do not offer a service similar to the TMX Ultra 10Gb Connectivity (e.g. LSE, Euronext). The table (1) assumes implementation of the Proposed Fees, (2) assumes that it is an existing client and therefore the initial one-time set up fee is not reflected, and (3) does not take into account fee reductions for multi-year commitment to full cabinets.

Our analysis reveals that the fees charged by the Exchanges to upgrade from the Current 10Gb Connectivity to the TMX Ultra 10Gb Connectivity are generally lower than, or comparable to, the fees charged by our international peers who offer a similar upgrade. Additionally, our analysis reveals that when factoring in the cost of a cabinet, the Proposed Fees remain: (i) substantially lower than the fees charged for comparable co-location products by each of our international peers; and (ii) generally lower than or comparable to the fees charged by international peers that offer a 10Gb connectivity, but do not offer a service comparable to the TMX Ultra 10Gb Connectivity.

Exchange (prices in Canadian dollars)[1]	Price Paid Per Month for a Full Cabinet[2] with one 10Gb Connectivity[3]	Price Paid Per Month for a Full Cabinet[2] with one Ultra-Low Latency 10Gb Connectivity[3]	Price Paid Per Month to upgrade from 10Gb connectivity to Ultra-Low Latency 10Gb Connectivity
TSX	$10,925 ($1,725 + $9,200)	$14,400 ($5,200 + $9,200)	$3,475
Nasdaq US	$20,331 (USD$11,000 + $3,850)	$27,861 (USD$16,500 + $3,850)	$7,530
NYSE	$24,918 (USD$11,000 + $7,200)	$39,978 (USD$22,000 + $7,200)	$15,060
LSE	$16,806 (GBP$2,875 + GBP$6,230)	N/A	N/A
Deutsche Börse[4]	$25,416 (EUR$6,000 + EUR$6,000 + EUR$3,910)	$27,333 (EUR$7,200 + EUR$6,000 + EUR$3,910)	$1,917
Euronext[5]	$27,090 (EUR$6,002 + EUR$2,500 + EUR$8,456)	N/A	N/A

Notes:
(1) Fees converted to Canadian dollars using the following monthly rates for July 2025 as published by the Bank of Canada and rounded to the nearest dollar: USD$1 = CAD$1.3691, GBP$1 = CAD$1.8458, EUR$1 = CAD$1.5975.
(2) Using comparable power-rated cabinets (6kW) or the cabinet immediately exceeding 6kW in power rating.
(3) As noted above, the price of our full cabinets and half cabinets includes two 1 Gb connections. Each of our competitors listed in this table does not offer free connectivity to production.
(4) Deutsche Börse charges a connectivity fee to receive market data and a separate fee for the ability to submit orders. The Exchanges do not charge separate connectivity fees for order entry and feed connectivity.
(5) Euronext charges two separate connectivity fees for full access to their marketplaces.

APPENDIX A

PROPOSED FEE CHANGES

Please see attached.

Co-Location Fee Schedule

TMX DATALINX

Co-Location with exchange connectivity	Rates
Full cabinet (42U, 6 kw maximum)	$9200.00 monthly
Half cabinet (21U, 3 kw maximum)	$5750.00 monthly
Initial set-up fee	$5750.00 one-time
Fee reductions for multi-year commitment to full cabinets	**Savings per cabinet**
3 year term	$550.00 monthly
4 year term	$1125.00 monthly
5 year term	$1700.00 monthly
~~**10Gb/s connectivity**~~**Connectivity to TMX Extranet**	**Rates**
First 10Gb/s TMX Ultra connection in a cabinet	$~~1725.00~~5,200.00 monthly
Each additional 10Gb/s TMX Ultra connection in a cabinet	$3,900.00 monthly
First 10Gb/s connection in a cabinet	$1725.00 monthly
Each additional 10GB/s connection in a cabinet	$1150.00 monthly

Notes:

(1) Pricing is in Canadian dollars and does not include taxes.
(2) No additional fees for power consumed.
(3) Each full or half cabinet includes a redundant pair of 1Gb/s connections to TMX's Extranet.(i.e. gateway to TMX matching engines and market data feeds)
(4) Each 10Gb/s connection is a single fibre optic cable.
(5) Each 10Gb/s TMX Ultra connection utilizes fibre optic cabling.

B.11.3 Clearing Agencies

B.11.3.1 Canadian Derivatives Clearing Corporation (CDCC) – Proposed Amendments to the CDCC Rules and Risk Manual to Introduce Adjusted Interest Rate S&P/TSX 60 Total Return Index Futures – Notice of Technical/Housekeeping Rule Submission

CANADIAN DERIVATIVES CLEARING CORPORATION (CDCC)

NOTICE OF TECHNICAL/HOUSEKEEPING RULE SUBMISSION

PROPOSED AMENDMENTS TO
THE CDCC RULES AND RISK MANUAL TO
INTRODUCE ADJUSTED INTEREST RATE S&P/TSX 60 TOTAL RETURN INDEX FUTURES

In accordance with the Rule Protocol between the Ontario Securities Commission (Commission) and the Canadian Derivatives Clearing Corporation (CDCC), CDCC has submitted to the Commission the proposed amendments to the CDCC Rules and Risk Manual related to the introduction of Adjusted Interest Rate (AIR) S&P/TSX 60 Total Return Index Futures.

The proposed amendments incorporate rule provisions to account for the listing of AIR S&P/TSX 60 Total Return Index Futures and include a minor adjustment to the Risk Manual to confirm that the current risk architecture methodology will be applicable to the AIR S&P/TSX 60 Total Return Index Futures.

CDCC has determined that the amendments will become effective on September 30, 2025.

The CDCC Notice has been posted on CDCC's **website**.

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