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Table of Contents

Chapter 1

Notices / News Releases

1.1 Notices

1.1.1 Multilateral CSA Staff Notice 61-302 Staff Review and Commentary on Multilateral Instrument 61-101 Protection of Minority Security Holders in Special Transactions

CSA/ACVM Canadian Securities Administrators Autorités canadiennes en valeurs mobilières

Multilateral CSA Staff Notice 61-302
Staff Review and Commentary on Multilateral Instrument 61-101
Protection of Minority Security Holders in Special Transactions

July 27, 2017

Introduction

We, staff of the securities regulatory authorities in each of Ontario, Québec, Alberta, Manitoba and New Brunswick (collectively, **Staff** or **we**), are publishing this notice to advise market participants of our:

1. current and proposed review and oversight of transactions subject to Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions* (**MI 61-101**), and

2. views with respect to

   (a) the role of boards of directors and/or special committees of independent directors in negotiating, reviewing, and approving or recommending material conflict of interest transactions, and

   (b) disclosure obligations that enable security holders to make informed decisions to vote or tender in favour of proposed material conflict of interest transactions.

This Staff notice reflects the recent experience of staff in Ontario and Québec in reviewing material conflict of interest transactions. This notice also outlines for market participants the transaction review approach of staff in Ontario and Québec, which staff in Alberta, Manitoba and New Brunswick intend to adopt.

In this Staff notice, “material conflict of interest transaction” refers to insider bids, issuer bids, business combinations and related party transactions, each as defined in MI 61-101, that give rise to substantive concerns as to the protection of minority security holders. Therefore, for purposes of this Staff notice, “material conflict of interest transaction” would generally not include transactions that are captured incidentally within the scope of MI 61-101, such as transactions that are business combinations only as a result of employment-related collateral benefits.

Further, in this Staff notice, the term “minority security holder” refers to equity security holders of a reporting issuer that are not an “interested party” (as such term is defined in MI 61-101) in connection with the material conflict of interest transaction.

Purpose of MI 61-101

MI 61-101 establishes a securities regulatory framework that mitigates risks to minority security holders when a related party of the issuer, who may have superior access to information or significant influence, is involved in a material conflict of interest transaction.

The principles underlying MI 61-101 are described in s. 1.1 of Companion Policy 61-101CP to Multilateral Instrument 61-101 P*rotection of Minority Security Holders in Special Transactions* (**61-101CP**), namely, that all security holders be treated in a manner that is fair and that is perceived to be fair.

MI 61-101 implements these principles through procedural protections for minority security holders that include formal valuations, enhanced disclosure, and approval by a majority of minority security holders. MI 61-101 also mandates the

involvement of a special committee of independent directors in specific circumstances and 61-101CP recommends their use in all material conflict of interest transactions.

Staff recognize that MI 61-101 is supplemental to the duties and remedies that may be applicable to issuers or available to minority security holders under applicable corporate, contract, or other law. While MI 61-101 focuses on the interests of minority security holders, boards of directors have a broader duty to the issuer under corporate law. Staff believe that the best interests of the issuer and its minority security holders will generally not be in conflict when considering transactions regulated under MI 61-101; however, if in the view of the board of directors there is such a conflict, we expect that the disclosure document for the transaction will explain the conflict and how it was addressed by the board of directors in reaching its determination to propose the transaction for approval by minority security holders.

Interpretive approach

Staff apply a broad and purposive interpretation to the requirements of MI 61-101 that emphasizes its underlying policy rationale. We also consider how security holder and market expectations have evolved over time in light of the application by securities regulatory authorities of their public interest jurisdiction, as well as developments in corporate law and market practice.

We expect market participants to take a similarly broad and purposive interpretation of the requirements of MI 61-101 and to adopt practices designed to effectively mitigate conflicts in material conflict of interest transactions. Where it appears to Staff that a transaction may not have been conducted in a manner consistent with MI 61-101, or the guidance in 61-101CP and decisions of securities regulatory authorities, we will scrutinize the transaction to assess compliance with MI 61-101 and identify potential public interest issues.

Reviews of special transactions

Staff review material conflict of interest transactions on a real-time basis to assess compliance with the requirements of MI 61-101 and to determine whether a transaction raises potential public interest concerns.

Timing and scope of reviews of special transactions

The objective of Staff's review program is to identify and resolve issues in real time, before a transaction is approved by security holders or closed, so as to reduce the risk of harm to minority security holders.

Staff will generally initiate a review of a material conflict of interest transaction upon the filing of a disclosure document[1] for the transaction. Our reviews focus on compliance with disclosure requirements, compliance with the conditions for exemptions in MI 61-101 from the formal valuation and minority approval requirements, and the substance and disclosure of the process conducted by an issuer's board of directors or special committee in considering a material conflict of interest transaction. Any complaints received by Staff will factor into the review.

When reviewing disclosure documents for material conflict of interest transactions, we will generally consider the following:

(a) whether the disclosure requirements that enable security holders to make informed decisions have been complied with, including whether the enhanced disclosure required by MI 61-101 has been provided,

(b) if a formal valuation is required, whether the issuer has obtained one that complies with MI 61-101 and included either a summary or the entirety of the valuation in its disclosure document,

(c) if minority security holder approval is required, whether or not the issuer has excluded all parties that are not properly part of the minority,

(d) if an issuer states that it is relying on an exemption from the formal valuation and/or minority approval requirement, whether the disclosure document provides a reasonable basis on which to conclude that the exemption is available, and

(e) whether the process employed by the issuer's board of directors in negotiating and reviewing a proposed transaction (including the existence or non-existence of a special committee of independent directors) raises concerns that the interests of minority security holders have not been adequately protected and whether that process is adequately disclosed.

[1] Disclosure documents include information and bid circulars, as well as press releases and material change reports filed in relation to transactions that are exempt from the minority approval requirements of MI 61-101.

Information gathering

Staff may contact the issuer or its legal counsel upon identifying potential compliance or public interest issues as part of a review. We may ask detailed questions, orally or in writing, and/or request supporting information (including board of directors and special committee minutes, special committee mandates, work product associated with a formal valuation, and other relevant materials) for the purposes of our review of a transaction.

Recognizing the time constraints associated with transactions, we endeavour to conduct our reviews in a manner that is as direct and expeditious as possible. However, we may apply for a temporary cease-trade or other appropriate order in respect of a proposed transaction if we believe it is in the public interest to do so.

Remedies

When Staff identify non-compliance with MI 61-101 or potential public interest concerns as part of a review, we may seek one or more of the following:

(a) timely corrective disclosure or other actions on the part of the issuer,

(b) appropriate orders under securities legislation in relation to the transaction, or

(c) enforcement action in certain circumstances, such as where we believe that materially misleading disclosure has been made or that other requirements of applicable securities law have not been complied with.

Staff views on special committees and enhanced disclosure

The following discussion of Staff views regarding special committees of independent directors and enhanced disclosure requirements is based on the requirements of MI 61-101 and associated guidance in 61-101CP, decisions of securities regulatory authorities addressing compliance and public interest considerations related to MI 61-101, and issues identified in reviews of material conflict of interest transactions.

Special committees

Introduction

Staff expect that an issuer's board of directors will appropriately manage the conflicts of interest that arise in the context of a material conflict of interest transaction. The formation of a special committee of independent directors to, among other things, ensure that the interests of minority security holders are fairly considered in the negotiation and review of such a transaction is one of the primary means of managing such conflicts of interest.

We recognize that the formation of a special committee of independent directors is not the sole governance arrangement that can protect the interests of minority security holders in a manner consistent with the principles that underlie MI 61-101. There may be circumstances where the board of directors can address the concerns set out in this Staff notice and adequately protect minority security holders without forming a special committee, for example where the board of directors is comprised entirely of independent directors or where the board of directors takes appropriate steps to conduct its deliberations free from interference or influence by directors with a conflict of interest. For purposes of this Staff notice, references to a "special committee" include a board of directors acting in this manner.

While the use of a special committee of independent directors is mandated by MI 61-101 only in the case of insider bids, Staff are of the view that a special committee is advisable for all material conflict of interest transactions. A properly constituted special committee with a robust mandate can ensure that the interests of minority security holders are appropriately taken into account and may thereby alleviate the conflicts that underlie material conflict of interest transactions. Our view is consistent with the guidance found in ss. 6.1(6) of 61-101CP.

In Staff's view, the active engagement of a special committee in the process, free from interference or undue influence by persons with a conflict of interest, assists issuers in complying with MI 61-101 and mitigates potential public interest concerns. This practice should also reduce the risk of a transaction being the subject of a complaint to securities regulatory authorities and the likelihood of Staff raising procedural issues when reviewing the transaction.

In addition, we believe that the enhanced disclosure requirements under MI 61-101, as well as relevant guidance in 61-101CP, presuppose that an effective process has been undertaken so that the board of directors is able to appropriately inform security holders as to the desirability or fairness of the transaction proposed to them.

Timely formation and effectiveness of special committees

As part of our reviews, Staff have identified occasions where special committees were formed after a proposed transaction had been substantially negotiated or where it appeared that the special committee was passive and failed to conduct a robust review of the circumstances leading to the transaction, alternatives to the transaction that were available in the circumstances, and the transaction itself. In Staff's view, in those circumstances the special committee was ineffective and failed to fulfill the important functions of considering the interests of security holders and assisting the board of directors in determining whether to recommend the transaction to security holders.

Composition of special committees

In light of our reviews, we believe that the composition of a special committee impacts its effectiveness. While we recognize that a special committee may invite non-independent board members and other persons possessing specialized knowledge to meet with, provide information to, and carry out instructions from the committee, we are of the view that non-independent persons should not be present at or participate in the decision making deliberations of the special committee.

Staff may also consider whether:

(a) the members of a special committee are independent within the meaning of MI 61-101, and

(b) the special committee conducts itself independently and is given the authority and opportunity to discharge its mandate without undue influence from interested parties or undue deference to the interests of interested parties.

Role and process of special committees

A special committee should appropriately manage conflicts of interest to be effective.[2] Indicia of a well-run special committee process in the context of a material conflict of interest transaction generally include a robust mandate, the engagement by the committee of independent advisors, supervision over or direct conduct of negotiations, accurate record keeping, and non-coercive conduct on the part of interested parties. Staff recognize that the conduct of a special committee process is also subject to corporate law and fiduciary duty considerations; however, as stated in *Re Hudbay Minerals Inc.*,[3] "[t]hese kinds of issues are not solely matters for the courts."[4] Securities regulatory authorities have, over the course of multiple decisions, considered the role and process followed by a board of directors or a special committee in reviewing and approving, or recommending approval of, a transaction or matter.[5]

Mandates

Through our reviews we have identified occasions where the mandate of a special committee was narrowly circumscribed, as well as instances where a special committee did not appear to fulfil the full scope of its mandate. We encourage a broad special committee mandate that authorizes the special committee to address the key issues relating to a transaction.[6]

Staff recognize that special committee mandates will be tailored to the context of the relevant transaction. We generally expect that a special committee mandate will include the ability to do the following:

(a) either negotiate or supervise the negotiation of a proposed transaction, rather than simply review and consider it,[7]

(b) consider alternatives to the proposed transaction that may be available, including maintaining the status quo or seeking other transactions that would enhance value to minority security holders,

(c) make a recommendation regarding the proposed transaction,[8] or, if it does not, provide detailed reasons why not, and

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2 *Re Magna International Inc.* (2011), 34 OSCB 1290 [*Magna*] at para 229.

3 (2009), 32 OSCB 3733.

4 *Ibid* at para. 235.

5 See, for instance, *Re Standard Trustco Ltd* (1992), 15 OSCB 4322, *Re YBM Magnex International Inc* (2003), 26 OSCB 5285, *Re Sears Canada Inc* (2006), 25 OSCB 8766 [*Sears*], *Re AiT Advanced Information Technologies Corp* (2008), 31 OSCB 712, *Re Rowan* (2008), 31 OSCB 6515, *Re Neo Material Technologies Inc* (2009), 32 OSCB 6941, *Magna supra* note 2.

6 *Magna supra* note 2 at para 229.

7 *Ibid* at para 222.

8 *Ibid* at para 224.

(d) hire its own independent legal and financial advisors, without any involvement of, or interference from, interested parties or their representatives.

Staff may be concerned by any mandate that limits a special committee to considering only one or both of the following:

(a) a proposal developed by executive management in conjunction with a related party;[9] or

(b) whether a proposed transaction should be put to security holders for a vote.[10]

Negotiations

The *Magna* decision stated that "the process of negotiation [is] a key aspect of the process that should [be] conducted or overseen by the Special Committee."[11] Staff recognize that the exact nature of the involvement of a special committee in negotiations will depend on the context of a particular transaction. In some circumstances, it may be appropriate for a special committee to negotiate a transaction from the outset, whether directly, through advisors, or in some other manner that is supervised by the special committee. In other circumstances, it may be appropriate for the transaction to be negotiated at a preliminary stage by key interested parties. However, where the special committee has not been involved in preliminary negotiations, we believe it is critical that the board of directors and special committee not be bound by any such negotiations and that other aspects of the role of the special committee be robust, such as a mandate to review, negotiate further, and consider alternatives that may be available.

Financial advisors and fairness opinions

Staff recognize that fairness opinions obtained by special committees and boards of directors from financial advisors in connection with material transactions are not required under MI 61-101 or addressed in 61-101CP.

In our view, apart from a requirement under MI 61-101 to obtain a formal valuation, it is the responsibility of the board of directors and special committee to determine whether a fairness opinion is necessary to assist in making a recommendation to security holders on a proposed transaction. Staff believe that it is generally the responsibility of the board of directors and the special committee to determine the terms and financial arrangements for the engagement of an advisor to provide a fairness opinion.

As part of our reviews, we have identified occasions where special committees requested a fairness opinion but otherwise did not appear to adequately consider the desirability or fairness of a proposed transaction. A fairness opinion opines on the fairness of a transaction from a financial point of view. Staff believe that a special committee cannot substitute the results of a fairness opinion for its own judgment as to whether a transaction is in the best interests of the issuer and its minority security holders; a properly mandated and effective special committee should generally consider the transaction from a broader perspective. A special committee should also engage in a thorough review of any fairness opinion that is obtained and bring its own experience and knowledge of the issuer to bear on the assumptions and methodologies utilized by the financial advisor.

In our reviews, we have also identified occasions where special committees have failed to consider previous financial work product, including whether such work product constituted a prior valuation or material information that needed to be disclosed, and to what extent such work product was relevant to the committee's recommendation with respect to the transaction.

Coercive conduct on the part of interested parties

In Staff's view, a special committee can play a particularly important role in safeguarding the rights and interests of minority security holders during the course of a contested material conflict of interest transaction such as an unsolicited insider bid or an attempt by an interested party to exert undue influence when negotiating a transaction with the issuer. The special committee should be permitted to carry out its responsibilities "free from undue influence, coercion or threats, whether express or implied."[12] Any attempt by an interested party to exert undue influence may undermine security holders' confidence in the special committee process and in capital markets generally. Staff believe that related parties involved in a transaction should co-operate with the special committee and refrain from conduct that could be construed as improper or coercive.

9 *Ibid* at para 221.

10 *Ibid* at para 224.

11 *Ibid* at para 218.

12 *Re Hollinger Inc* (2005), 28 OSCB 3309 at para 80.

Enhanced disclosure

Introduction

Enhanced disclosure requirements constitute one of the fundamental minority security holder protections imposed by MI 61-101. They are intended to address the asymmetry of information that may exist when minority security holders are asked to consider and approve, or tender into, a material conflict of interest transaction.

We remind issuers that a bid circular provided to security holders by an offeror in the context of an insider bid or an issuer bid must comply with the requirements of National Instrument 62-104 *Take-Over Bids and Issuer Bids* (**NI 62-104**), as well as the additional disclosure requirements of MI 61-101. An information circular provided to security holders by the management of an issuer for the purpose of soliciting their proxies in the context of a business combination or related party transaction must comply with Form 51-102F5 *Information Circular* (**Form 51-102F5**), and the additional disclosure requirements of MI 61-101.

Disclosure standards

The disclosure standards set out in NI 62-104, Form 51-102F5, and MI 61-101 should be considered in light of the relevant legal requirements under corporate and securities legislation, as well as court decisions and securities regulatory authority decisions. The disclosure document provided to security holders should contain sufficient detail to enable them to make an informed decision on how to vote or whether to tender in respect of a material conflict of interest transaction and should avoid misrepresentations.

Insiders and issuers discharging their disclosure and other obligations under MI 61-101 are expected to ensure the fair treatment of minority security holders and comply fully with the "spirit and intent" of MI 61-101.[13] This means that minority security holders should receive the disclosure necessary to make an informed decision and that tactical or self-serving disclosure intended primarily to further the interests of a related party in the transaction is not appropriate.[14]

We believe that disclosure in the context of a material conflict of interest transaction generally requires a thorough discussion of:

(a) the review and approval process,

(b) the reasoning and analysis of the board of directors and/or special committee,

(c) the views of the board of directors and/or special committee as to the desirability or fairness of the transaction,

(d) reasonably available alternatives to the transaction, including the status quo, and

(e) the pros and cons of the transaction.

Disclosure regarding background and process

Through our reviews, we have identified problems with respect to disclosure of the background to and approval process for a transaction, including:

(a) inadequate disclosure of the context and background to a proposed transaction,

(b) failure to provide a meaningful discussion of the board of directors' or special committee's process and their rationale for supporting a proposed transaction,

(c) failure to provide disclosure of dissenting views of directors in respect of a transaction, and

(d) overly one-sided disclosure regarding a recommended transaction that did not identify potential concerns with the transaction or available alternatives to the transaction.

Staff encourage issuers to provide a meaningful and full discussion of the review and approval process adopted by the board of directors and special committee in compliance with the requirements of MI 61-101.

[13] *Sears supra* note 5 at para 196.

[14] *Ibid* at para 195.

Desirability or fairness of transaction

In our reviews, we identified instances of inadequate disclosure of a board of directors' or special committee's analysis as to the desirability or fairness of the transaction to security holders. Subsections 6.1(2) and 6.1(3) of 61-101CP provide guidance in this regard.

Disclosure should also contain a meaningful discussion of the analysis provided by advisors,[15] and how the board of directors and special committee considered the advice provided in concluding that the transaction should be recommended to security holders.

In our view, where a board of directors or a special committee discloses its reasonable beliefs as to the desirability or fairness of a material conflict of interest transaction, such disclosure should address the interests of minority security holders and not be limited to whether the transaction is in the best interests of the issuer.

Board of directors and special committee recommendation

Staff recognize that applicable corporate or securities legislation do not require a board of directors or a special committee to make a recommendation as to how minority security holders should vote on a proposed material conflict of interest transaction.[16] While boards of directors generally make a recommendation to security holders in connection with a proposed transaction, there may be exceptional circumstances where the board or special committee determines that a transaction should be put to security holders for their consideration without a recommendation on how to vote or whether to tender their securities. Where a transaction is proposed to security holders without a board recommendation, we believe that there should be a high level of disclosure such that minority security holders are provided "with substantially the same information and analysis that the Special Committee received in considering and addressing the legal and business issues raised by the proposed transaction."[17] Staff expect disclosure of a board of directors' review and approval process for a transaction to explain why the transaction is being proposed without a recommendation, including the reasons for the decision not to make a recommendation, and the basis upon which the board of directors expects minority security holders to vote on the transaction in the absence of a recommendation.

Fairness opinions

As noted above, applicable securities legislation does not require a reporting issuer to obtain a fairness opinion as a condition of proceeding with a material conflict of interest transaction. However, if a fairness opinion has been requested and a financial advisor is not able or willing to provide one, Staff are of the view that the disclosure document should set out the financial advisor's reasons for not providing the fairness opinion and should explain how the special committee and board of directors took the financial advisor's decision into account and its relevance to any recommendation made to security holders concerning the transaction.[18]

In reviewing material conflict of interest transactions Staff found that disclosure concerning fairness opinions was often limited and did not provide security holders with a meaningful understanding of the fairness opinion and how it was considered by the board or special committee. Where a fairness opinion is obtained for a material conflict of interest transaction, the disclosure document should:

(a) disclose the compensation arrangement, including whether the financial advisor is being paid a flat fee, a fee contingent on delivery of the final opinion, or a fee contingent on the successful completion of the transaction,

(b) explain how the board or special committee took into account the compensation arrangement with the financial advisor when considering the advice provided,

(c) disclose any other relationship or arrangement between the financial advisor and the issuer or an interested party that may be relevant to a perception of lack of independence in respect of the advice received or opinion provided,

(d) provide a clear summary of the methodology, information and analysis (including, as applicable, financial metrics, and not merely a narrative description) underlying the opinion sufficient to enable a reader to understand the basis for the opinion, without overwhelming security holders with too much information, and

(e) explain the relevance of the fairness opinion to the board of directors and special committee in coming to the determination to recommend the transaction.

15 *Magna supra* note 2 at para 145.

16 *Ibid* at para 151.

17 *Ibid* at para 129.

18 *Ibid* at paras 162 and 164.

With respect to the preparation and disclosure of fairness opinions in the context of MI 61-101 transactions, Staff refers market participants to Rules 29.21 and 29.24 of the Investment Industry Regulatory Organization of Canada, as well as Standard No. 510 of The Canadian Institute of Chartered Business Valuators, which may apply to the party providing a fairness opinion, or, if not, set out a reasonable approach to meeting the appropriate standard for fairness opinions.

Conclusion

This Staff notice is intended to remind market participants that the requirements in MI 61-101 should be interpreted with a view to their underlying policy purpose of protecting minority security holders in the context of material conflict of interest transactions.

In particular, Staff believe that a special committee of independent directors may provide important protection for minority security holders in connection with the negotiation, review, and recommendation of a material conflict of interest transaction. We are also of the view that compliance with the disclosure requirements and standards applicable to material conflict of interest transactions requires that the disclosure document fully disclose the substance of the transaction being considered and the reasons why the board of directors has determined to recommend or proceed with the transaction over other alternatives.

Staff will consider appropriate remedies in circumstances where it appears that a material conflict of interest transaction has not been conducted in accordance with applicable securities legislation or raises public interest concerns that impact the interests of minority security holders.

Questions

Please refer your questions to any of the following:

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1.1.2 CSA Staff Notice 51-351 Continuous Disclosure Review Program Activities for the fiscal year ended March 31, 2017

Canadian Securities Administrators | Autorités canadiennes en valeurs mobilières

CSA Staff Notice 51-351 *Continuous Disclosure Review Program Activities for the fiscal year ended March 31, 2017*

July 27, 2017

The Canadian Securities Administrators (**CSA**) has announced that, while we continue to have a rigorous continuous disclosure review program (**CD Review Program**), a CSA Staff Notice detailing the results of the program will be published on a biennial instead of an annual basis. As a result, the next CSA Staff Notice will be for the fiscal year ended March 31, 2018.

In past years, the CSA Staff Notice summarized the results of the CD Review Program for the most recently completed fiscal year, including information about the areas where common deficiencies were noted, with relevant consideration and examples. For further details on the CD Review Program, see CSA Staff Notice 51-312 (revised) *Harmonized Continuous Disclosure Review Program*.

The CSA notes that the disclosure considerations published in the prior year are still very relevant, and encourage reporting issuers in Canada to continue applying the guidance in CSA Staff Notice 51-346 – *Continuous Disclosure Review Program Activities for the fiscal year ended March 31, 2016*.

Also, reporting issuers are invited to refer to ongoing CSA initiatives regarding CD issue-oriented reviews and related CSA Staff Notices.

The CSA, the council of the securities regulators of Canada's provinces and territories, co-ordinates and harmonizes regulation for the Canadian capital markets.

For more information, please refer your questions to any of the following:

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1.5 Notices from the Office of the Secretary

1.5.1 Eda Marie Agueci et al.

FOR IMMEDIATE RELEASE
July 19, 2017

IN THE MATTER OF
EDA MARIE AGUECI, DENNIS WING,
SANTO IACONO, JOSEPHINE RAPONI,
KIMBERLEY STEPHANY, HENRY FIORILLO,
GIUSEPPE (JOSEPH) FIORINI,
JOHN SERPA, IAN TELFER,
JACOB GORNITZKI and POLLEN SERVICES LIMITED

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

A copy of the Order dated July 19, 2017 is available at www.osc.gov.on.ca.

OFFICE OF THE SECRETARY
GRACE KNAKOWSKI
SECRETARY TO THE COMMISSION

For media inquiries:

media_inquiries@osc.gov.on.ca

For investor inquiries:

OSC Contact Centre
416-593-8314
1-877-785-1555 (Toll Free)

1.5.2 Nixon Lau et al.

FOR IMMEDIATE RELEASE
July 20, 2017

IN THE MATTER OF
NIXON LAU, INCOME STRATEGIX HOLDINGS LTD.,
INCOME STRATEGIX L.P.,
INCOME STRATEGIX A-CLASS L.P. and INCOME
STRATEGIX I-CLASS L.P.

TORONTO – The Commission issued its Reasons and Decision for Approval of a Settlement following the Settlement Hearing held in the above noted matter.

A copy of the Reasons and Decision for Approval of a Settlement dated June 26, 2017 is available at www.osc.gov.on.ca.

OFFICE OF THE SECRETARY
GRACE KNAKOWSKI
SECRETARY TO THE COMMISSION

For media inquiries:

media_inquiries@osc.gov.on.ca

For investor inquiries:

OSC Contact Centre
416-593-8314
1-877-785-1555 (Toll Free)

1.5.3 Manulife Securities Incorporated and Manulife Securities Investment Services Inc.

FOR IMMEDIATE RELEASE
July 25, 2017

IN THE MATTER OF
MANULIFE SECURITIES INCORPORATED AND
MANULIFE SECURITIES INVESTMENT SERVICES INC.

TORONTO – The Commission issued its Oral Reasons for Approval of Settlement following the Settlement Hearing held in the above noted matter.

A copy of the Oral Reasons for Approval of Settlement dated July 13, 2017 is available at www.osc.gov.on.ca.

OFFICE OF THE SECRETARY
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SECRETARY TO THE COMMISSION

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1.5.4 Gregory Deacon

FOR IMMEDIATE RELEASE
July 25, 2017

IN THE MATTER OF
GREGORY DEACON

TORONTO – Following a hearing held today, the Commission issued an Order in the above named matter approving the Settlement Agreement reached between Staff of the Commission and Gregory Deacon.

A copy of the Order dated July 25, 2017 and the Settlement Agreement dated July 7, 2017 are available at www.osc.gov.on.ca.

OFFICE OF THE SECRETARY
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SECRETARY TO THE COMMISSION

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Chapter 2

Decisions, Orders and Rulings

2.1 Decisions

2.1.1 BRP Inc.

Headnote

Dual application – Issuer bid – Modified Dutch auction – Application for relief from the requirement to take up and pay for shares on a pro rata basis and the related disclosure requirements for the issuer bid circular (section 2.26 of NI62-104 and item 8 of Form 62-104F2) – Application for relief from the requirement to take up all securities deposited under the issuer bid and not withdrawn if all the terms and conditions of the Offer have been complied with or waived unless and the Offer is under subscribed (section 2.32 of NI62-104).

Applicable Legislative Provisions

Regulation 61-101 respecting Protection of Minority Security Holders in Special Transactions, s. 3.4.
Regulation 62-104 respecting Take-Over Bids and Issuer Bids, ss. 2.26, 2.32, 6.1.
Form 62-104F2, Item 8.

July 13, 2017

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

AND

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

AND

IN THE MATTER OF
BRP INC.
(the "Filer")

DECISION

Background

The securities regulatory authority or regulator responsible in each of the Jurisdictions (the "**Decision Makers**") has received an application from the Filer for a decision under the securities legislation of the Jurisdictions (the "**Legislation**") granting the Filer, in connection with the proposed purchase of a portion of its outstanding subordinate voting shares (the "**Shares**") pursuant to an issuer bid (the "**Offer**"), an exemption from the following requirements (the "**Exemption Sought**"):

a) to take up and pay for securities deposited pursuant to the Offer proportionately according to the number of securities deposited by each security holder (the "**Proportionate Take Up Requirements**");

b) to disclose the proportionate take up requirement in the issuer bid circular of the Filer (the "**Circular**") (the "**Proportionate Take Up Disclosure Requirement**"); and

c) to not extend the Offer if all the terms and conditions of the Offer have been complied with or waived, unless first taking up all securities deposited and not withdrawn under the Offer (the "**Extension Take Up Requirement**").

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

a) the *Autorité des marchés financiers* is the principal regulator for this application;

b) the Filer has given notice that it intends to rely on subsection 4.7(1) of *Regulation 11-102 respecting Passport System* (the "**Regulation 11-102**") in British Columbia, Alberta, Saskatchewan, Manitoba, New Brunswick, Nova Scotia, Newfoundland and Labrador, the Yukon, the Northwest Territories and Nunavut;

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

Interpretation

Terms defined in *Regulation 14-101 respecting Definitions* and Regulation 11-102 have the same meaning if used in this decision, unless otherwise defined herein.

Representations

This decision is based on the following statements of facts of the Filer:

1. The Filer is a corporation governed by the *Canada Business Corporations Act*.

2. The head office of the Filer is located at 726, rue Saint-Joseph, Valcourt (Québec), Canada, J0E 2L0.

3. The Filer is a reporting issuer in each of the jurisdictions of Canada and the Shares are listed for trading on the Toronto Stock Exchange (the "**TSX**") under the symbol "DOO". The Filer is not in default of any requirement of the securities legislation in the jurisdictions in which it is a reporting issuer.

4. The authorized share capital of the Filer consists of unlimited number of multiple voting shares (the "**MVS**"), an unlimited number of Shares and an unlimited number of preferred shares issuable in series. As of May 19, 2017, there were 32,800,865 Shares and 79,023,344 MVS issued and outstanding, and no preferred shares were issued and outstanding. The MVS are not listed for trading on any stock exchange. Each outstanding MVS may at any time, at the option of the holder, be converted into one Share.

5. On May 19, 2017, the closing price of the Shares on the TSX was $32.34.

6. As at May 19, 2017, Beaudier Inc. ("**Beaudier**") and 4338618 Canada Inc. ("**4338618**") beneficially owned 24,743,163 and 16,494,313 MVS, respectively, which in the aggregate represented approximately 36.9% of the total issued and outstanding Shares and MVS, and Bain Capital Luxembourg Investments S.à r.l. ("**Bain Capital**") beneficially owned 31,744,393 MVS, which in the aggregate represented approximately 28.4% of the total issued and outstanding Shares and MVS.

7. The Filer launched the Offer on June 12, 2017 pursuant to which it is offering to purchase a number of Shares having an aggregate purchase price not to exceed $350,000,000 (the "**Specified Dollar Amount**").

8. Holders of MVS are entitled to participate in the Offer by depositing their MVS to the Offer. MVS deposited will be considered as Shares (i.e. on an as-converted basis) for purposes of all calculations under the Offer. The MVS which are taken up by the Filer will be converted into Shares on a one-for-one basis immediately prior to take up.

9. The purchase price per Share will be determined by the Filer through a modified "Dutch auction" procedure in the manner described below within a range of not less than $37.00 and not more than $44.00 per Share, as specified in the Circular (the "**Price Range**").

10. The Filer will fund the purchase of Shares pursuant to the Offer, together with the fees and expenses of the Offer, from available cash on hand and, as required, a drawdown under the Filer's revolving credit facilities.

11. Holders of Shares and MVS (collectively, the "**Shareholders**") wishing to tender to the Offer may do so pursuant to one of the following procedures:

    a. auction tenders in which the tendering Shareholders specify the number of Shares being tendered at a price per Share (the "**Auction Price**") within the Price Range in increments of $0.10 per Share (the "**Auction Tenders**");

b. purchase price tenders in which the tendering Shareholders do not specify a price per Share, but rather agree to have a specified number of Shares purchased at the Purchase Price to be determined by the Auction Tenders (the "**Purchase Price Tenders**");

c. proportionate tenders in which the tendering Shareholders agree to sell to the Filer, at the Purchase Price to be determined by the Auction Tenders, a number of Shares that will result in them maintaining their respective proportionate equity ownership in the Filer following completion of the Offer (the "**Proportionate Tenders**").

12. Shareholders may make multiple Auction Tenders but not in respect of the same Shares (i.e. Shareholders may tender different Shares at different prices but cannot tender the same Shares at different prices). Shareholders who make a Proportionate Tender must tender all Shares beneficially owned by them to the Offer. Shareholders who make an Auction Tender or a Purchase Price Tender may not make a Proportionate Tender and vice versa.

13. A Shareholder who owns fewer than 100 Shares and makes an Auction Tender regarding all of such Shareholder's Shares at an Auction Price at or below the Purchase Price (as defined below) or makes a Purchase Price Tender will be considered to have made an "**Odd Lot Tender**".

14. The Filer will determine the purchase price payable per Share (the "**Purchase Price**") based on the Auction Prices and the number of Shares deposited pursuant to valid Auction Tenders and Purchase Price Tenders. The Purchase Price will be the lowest price that enables the Filer to purchase that number of Shares deposited pursuant to valid Auction Tenders and Purchase Price Tenders having an aggregate purchase price not to exceed an amount (the "**Auction Tender Limit Amount**") equal to

a. the Specified Dollar Amount, less

b. the product of:

i. the Specified Dollar Amount, and

ii. a fraction, the numerator of which is the aggregate number of Shares owned by Shareholders making valid Proportionate Tenders (including MVS that will be converted into Shares), and the denominator of which is the aggregate number of Shares and MVS outstanding at the time of expiry of the Offer.

15. If the aggregate purchase price for Shares validly deposited pursuant to Auction Tenders and Purchase Price Tenders is less than or equal to the Auction Tender Limit Amount, the Filer will purchase at the Purchase Price all Shares so deposited at Auction Prices less than or equal to the Purchase Price.

16. If the aggregate purchase price for Shares validly deposited pursuant to Auction Tenders and Purchase Price Tenders is greater than the Auction Tender Limit Amount, the Filer will purchase at the Purchase Price a portion of the Shares so deposited pursuant to Auction Tenders, determined as follows:

a. the Filer will purchase all such Shares deposited pursuant to Odd Lot Tenders at the Purchase Price; and

b. the Filer will purchase on a pro rata basis that portion of the Shares having an aggregate purchase price, based on the Purchase Price, equal to the difference between:

i. the Auction Tender Limit Amount, less

ii. the aggregate amount paid by the Filer for Shares deposited pursuant to Odd Lot Tenders.

17. The Filer will purchase at the Purchase Price that portion of the Shares (including MVS converted into Shares) deposited by Shareholders making valid Proportionate Tenders that results in such Shareholders maintaining their proportionate equity ownership following completion of the Offer.

18. The number of Shares that the Filer will purchase pursuant to the Offer and the aggregate purchase price will vary depending on the aggregate purchase price payable in respect of Shares required to be purchased pursuant to Auction Tenders and Purchase Price Tenders (the "**Auction Tender Purchase Amount**"). If the Auction Tender Purchase Amount is equal to the Auction Tender Limit Amount, the Filer will purchase Shares pursuant to the Offer for an aggregate purchase price equal to the Specified Dollar Amount. If the Auction Tender Purchase Amount is less than the Auction Tender Limit Amount, the Filer will purchase proportionately fewer Shares in the aggregate, with a proportionately lower aggregate purchase price.

19. Each of Beaudier, 4338618 and Bain Capital has advised the Filer that it intends to make a Proportionate Tender.

20. All Shares purchased by the Filer pursuant to the Offer (including Shares tendered at Auction Prices below the Purchase Price) will be purchased at the Purchase Price and payable in cash. All Auction Tenders, Purchase Price Tenders and Proportionate Tenders will be subject to adjustment to avoid the purchase of fractional Shares. All payments to Shareholders will be subject to applicable tax deductions.

21. All Shares deposited pursuant to the Offer and not taken up will be returned to the appropriate Shareholders.

22. The Offer is subject to the provisions of the United States regulation entitled *Regulation 14E* adopted under the 1934 Act ("**Regulation 14E**").

23. Until expiry of the Offer, all information about the number of Shares deposited and the Auction Prices will be required to be kept confidential by the depositary and the Filer until the Purchase Price has been determined.

24. Shareholders who do not accept the Offer will continue to hold the same number of Shares as before the Offer and their proportionate Share ownership will increase following completion of the Offer.

25. The Filer may extend the bid without first taking up Shares deposited and not withdrawn under the Offer if the aggregate purchase price for Shares validly tendered pursuant to Auction Tenders at Auction Prices and Purchase Price Tenders is less than the Auction Tender Limit Amount. Under the Extension Take-Up Requirement contained in the Legislation, a Filer may not extend an issuer bid if all the terms and conditions of the issuer bid have been complied with or waived unless the Filer first takes up all the securities deposited and not withdrawn under the Offer. Under Regulation 14E, the Filer must promptly pay for all securities deposited pursuant to the Offer at the time of expiry of the Offer. Regulation 14E does not allow the Filer to extend the Offer after having taken up and paid for securities deposited pursuant to the Offer.

26. The Filer relies on the exemption from the formal valuation requirements applicable to issuer bids set forth in subsection 3.4(b) *Regulation 61-101 respecting Protection of Minority Security Holders in Special Transactions* ("**Regulation 61-101**") (the "**Liquid Market Exemption**").

27. There was a "liquid market" for the Shares, as such term is defined in Regulation 61-101, as of the date of the making of the Offer because:

    a. there was a published market for the Shares (the TSX);

    b. during the 12 months before June 1, 2017 (the date the Offer was announced):

        i. the number of issued and outstanding Shares was at all times at least 5,000,000 (excluding Shares beneficially owned, or over which control or direction was exercised, by related parties and securities that were not freely tradeable);

        ii. the aggregate trading volume of Shares on the TSX was at least 1,000,000 Shares;

        iii. there were at least 1,000 trades in the Shares on the TSX; and

        iv. the aggregate value of the trades in the Shares on the TSX was at least $15,000,000;

    c. the market value of the Shares on the TSX, as determined in accordance with Regulation 61-101, was at least $75,000,000 for May 2017 (the calendar month preceding the calendar month in which the Offer was announced).

28. The Filer has also obtained, on a voluntary basis, a liquidity opinion from RBC Dominion Securities Inc. (the "**Liquidity Opinion**") to the effect that a liquid market for the Shares existed as of June 7, 2017 and that it is reasonable to conclude that, following the completion of the Offer, there will be a market for holders of Shares who do not tender their Shares pursuant to the Offer that is not materially less liquid than the market that existed before the making of the Offer. As set out in the Circular, based on the liquid market test set out above and the Liquidity Opinion, the Filer determined that it is reasonable to conclude that, following the completion of the Offer, there will be a market for holders of Shares who do not tender their Shares pursuant to the Offer that is not materially less liquid than the market that existed at the time of the making of the Offer.

29. The Filer discloses the following information in the Circular:

a. the mechanics for the take-up of and payment for Shares as described herein;

b. that, by making an Auction Tender at the lowest price in the Price Range, by making a Purchase Price Tender or by making a Proportionate Tender, a Shareholder can reasonably expect that the Shares so deposited will be purchased at the Purchase Price, subject to proration and other terms of the Offer as specified herein;

c. that the Filer has filed for an exemption from the Proportionate Take Up Requirement, the Proportionate Take Up Disclosure Requirement and the Extension Take Up Requirement;

d. that each of Beaudier, 4338618 and Bain Capital has advised the Filer that it intends to make a Proportionate Tender.

e. the facts supporting the Filer's reliance on the Liquid Market Exemption, including the Liquidity Opinion; and

f. subject to the exemptive relief being granted, the disclosure prescribed by the Legislation for issuer bids.

Decision

Each of the Decision Makers considers that the decision respects the criteria set out in the Legislation allowing the Decision Makers to make the decision.

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

a. the Filer takes up Shares deposited pursuant to the Offer and not withdrawn and pays for such Shares, in each case, in the manner described above;

b. the Filer is eligible to rely on the Liquid Market Exemption; and

c. the Filer complies with the requirements of Regulation 14E.

“Gilles Leclerc”
Gilles Leclerc
Surintendant des marchés financiers

2.1.2 Canoe Financial LP et al.

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – approval of mutual fund mergers pursuant to paragraph 5.5(1)(b) of National Instrument 81-102 Investment Funds – approval required because mergers do not meet the criteria for pre-approved reorganizations and transfers – the fundamental investment objectives of the terminating funds and the continuing funds are not substantially similar in two of the mergers and none of the mergers can be completed on a tax-deferred basis – security holders are provided with timely and adequate disclosure regarding the mergers.

Applicable Legislative Provisions

National Instrument 81-102 Investment Funds, ss. 5.5(1)(b), 19.1.

Citation: *Re Canoe Financial LP*, 2017 ABASC 120

July 17, 2017

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

AND

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

AND

IN THE MATTER OF
CANOE FINANCIAL LP (the Manager)

AND

CANOE GLOBAL BALANCED FUND,
ENERVEST NATURAL RESOURCE FUND LTD.,
CANOE GLOBAL OPPORTUNITIES CLASS
(each, a Terminating Fund, and with the Manager, the Filers)

DECISION

Background

The securities regulatory authority or regulator in each of the Jurisdictions (the **Decision Maker**) has received an application from the Manager on behalf of the Terminating Funds for a decision under the securities legislation of the Jurisdictions (the **Legislation**) for approval (the **Approval Sought**) pursuant to paragraph 5.5(1)(b) of National Instrument 81-102 *Investment Funds* (**NI 81-102**) of each of the proposed mergers (the **Mergers**):

(a) Canoe Global Balanced Fund (the **Terminating Trust Fund**) to merge into Canoe North American Monthly Income Class;

(b) Canoe Global Opportunities Class (the **Terminating Corporate Class Fund**) to merge into Canoe Global Equity Income Class; and

(c) EnerVest Natural Resource Fund Ltd. (**EnerVest Fund**) to merge into Canoe Energy Class.

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

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

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

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

Interpretation

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

The following additional terms shall have the following meanings:

Continuing Fund means each of Canoe North American Monthly Income Class, Canoe Energy Class and Canoe Global Equity Income Class;

Corporation means Canoe 'GO CANADA!' Fund Corp.;

Fund or **Funds** means, individually or collectively, the Terminating Funds and the Continuing Funds;

Investment Objective Mergers means the Merger of Canoe Global Balanced Fund into Canoe North American Monthly Income Class and the Merger of Canoe Global Opportunities Class into Canoe Global Equity Income Class;

IRC means the independent review committee for the Funds;

NI 81-106 means National Instrument 81-106 *Investment Fund Continuous Disclosure*;

NI 81-107 means National Instrument 81-107 *Independent Review Committee for Investment Funds*;

Tax Act means the *Income Tax Act* (Canada); and

Voting Continuing Fund means Canoe North American Monthly Income Class.

Representations

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

The Manager

1. The Manager is a limited partnership established under the laws of the Province of Alberta. The general partner of the Manager is Canoe Financial Corp., a corporation incorporated under the laws of Alberta. The Manager's head office is located in Calgary, Alberta.

2. The Manager is the investment fund manager of the Funds. The Manager is registered as an investment fund manager, portfolio manager and exempt market dealer under the securities legislation in each of jurisdiction of Canada.

The Funds

3. The Terminating Corporate Class Fund and the Continuing Funds are each open-ended mutual funds structured as a share class of the Corporation, a mutual fund corporation established under the laws of Alberta. The Terminating Trust Fund is an open-ended mutual fund trust governed by a master declaration of trust under the laws of Alberta. The EnerVest Fund is an open-ended mutual fund structured as a separate mutual fund corporation established under the laws of Alberta.

4. Securities of the Funds are qualified for sale in each jurisdiction of Canada under a simplified prospectus, annual information form and fund facts each dated June 19, 2017, as they may be amended from time to time, prepared in accordance with the requirements of NI 81-101 (collectively, the **Offering Documents**).

5. Each of the Funds is a reporting issuer under the securities legislation of each of the jurisdictions of Canada.

6. Neither the Manager nor the Funds is in default under the securities legislation in any jurisdiction of Canada.

7. Other than circumstances in which the regulator or securities regulatory authority of a jurisdiction of Canada has expressly exempted a Fund therefrom, each of the Funds follows the standard investment restrictions and practices established under NI 81-102.

8. The net asset value for each series of the Funds is calculated on a daily basis in accordance with the Funds' valuation policy and as described in the Offering Documents.

Reason for Approval Sought

9. Regulatory approval of the Mergers is required because each Merger does not satisfy all of the criteria for pre-approved reorganizations and transfers set out in section 5.6 of NI 81-102. The pre-approval criteria are not satisfied in the following ways:

   (a) the fundamental investment objectives of the Continuing Funds in the Investment Objective Mergers are not, or may be considered not to be, "substantially similar" to the investment objectives of their corresponding Terminating Funds; and

   (b) the Mergers will not be completed as a "qualifying exchange" or other tax-deferred merger under the Tax Act.

10. Except as described in this decision, the proposed Mergers comply with all of the other criteria for pre-approved reorganizations and transfers set out in section 5.6 of NI 81-102.

The Proposed Mergers

11. In accordance with NI 81-106, a press release announcing the proposed Mergers was issued and filed via SEDAR on June 12, 2017, together with a material change report.

12. As required by NI 81-107, an IRC has been appointed for the Funds. The Manager presented the potential conflict of interest matters related to the proposed Mergers to the IRC. The IRC reviewed the potential conflict of interest matters related to the proposed Mergers and on June 8, 2017 provided its positive recommendation for each of the Mergers, after determining that each proposed Merger, if implemented, would achieve a fair and reasonable result for each applicable Fund.

13. Securityholders of the Terminating Funds will be asked to approve the Mergers at special meetings to be held on or about August 16, 2017. In addition, in compliance with corporate law, securityholders of the Voting Continuing Fund will be asked to approve the exchange of securities of the Terminating Corporate Class Fund for securities of the Voting Continuing Fund at a

special meeting to be held on or about August 16, 2017.

14. The Merger of the Terminating Corporate Class Fund into the Voting Continuing Fund involves an exchange of securities of the Corporation and so has also been approved by the sole common voting shareholder of the Corporation, as required under applicable corporate law.

15. The Merger of the EnerVest Fund will also be approved by the Manager as the sole common voting shareholder of the EnerVest Fund, as required under applicable corporate law.

16. Pursuant to a decision dated November 30, 2016 (the **Decision**), the Manager has obtained an exemption from the requirement in paragraph 12.2(2)(a) of NI 81-106 to send an information circular and proxy-related materials to the securityholders of the Funds and instead allow the Funds to make use of a notice-and-access process. The notice prescribed by the Decision (the **Notice-and-Access Document**), the form of proxy and, where applicable, the fund facts relating to the relevant series of the Continuing Corporate Class Funds, will be sent to securityholders of the Terminating Funds and the Voting Continuing Fund commencing on or about July 17, 2017. Additionally, the Notice-and-Access Document, form of proxy and information circular will be concurrently filed via SEDAR and posted on the Manager's website.

17. The tax implications of the Mergers as well as the differences between the investment objectives of the Terminating Funds and the Continuing Funds and the recommendation of the IRC regarding the Mergers are described in the information circular so that the securityholders of the Terminating Funds may consider this information before voting on the Mergers. The information circular also describes the various ways in which investors can obtain a copy of the simplified prospectus, annual information form and fund facts for the Continuing Funds and their most recent interim and annual financial statements and management reports of fund performance.

18. Securityholders of each Terminating Fund will continue to have the right to redeem securities of the Terminating Fund at any time up to the close of business on the business day immediately before the effective date of the Mergers.

19. The proposed Merger of the Terminating Corporate Class Fund into Canoe Global Equity Income Class will be structured as follows:

    (a) Prior to effecting the Merger, the Corporation will sell any securities in the portfolio underlying the Terminating Corporate Class Fund that do not meet the investment objectives and investment strategies of Canoe Global Equity Income Class. As a result, the portfolio of the Terminating Corporate Class Fund may temporarily hold cash or money market instruments and may not be fully invested in accordance with their investment objectives for a brief period of time prior to the Merger being effected.

    (b) The value of the Terminating Corporate Class Fund's portfolio of assets and liabilities will be determined at the close of business on the effective date of the Merger in accordance with the constating documents of the Terminating Corporate Class Fund.

    (c) The Corporation may pay ordinary dividends or capital gains dividends to securityholders of the Terminating Corporate Class Fund, as determined by the Manager at the time of the Merger.

    (d) The portfolio of assets and liabilities attributable to the Terminating Corporate Class Fund will be included in the portfolio of assets and liabilities attributable to the Canoe Global Equity Income Class and the net asset value of Canoe Global Equity Income Class will be increased by an amount equal to the value of the portfolio of assets (minus liabilities) being attributed to Canoe Global Equity Income Class determined at the close of business on the effective date of the Merger in accordance with the constating documents of Canoe Global Equity Income Class.

    (e) The articles of the Corporation will be amended so that all of the issued and outstanding securities of the Terminating Corporate Class Fund will be exchanged for securities of Canoe Global Equity Income Class on a series-by-series and dollar-for-dollar basis, so that securityholders of the Terminating Corporate Class Fund become securityholders of the applicable series of Canoe Global Equity Income Class and then the securities of the Terminating Corporate Class Fund will be cancelled.

20. The proposed Merger of the Terminating Trust Fund into Canoe North American Monthly Income Class will be structured as follows:

    (a) Prior to effecting the Merger, the Terminating Trust Fund will sell any securities in its portfolio that do not meet the investment objectives and investment strategies of Canoe North American

Monthly Income Class. As a result, the Terminating Trust Fund may temporarily hold cash or money market instruments and may not be fully invested in accordance with its investment objectives for a brief period of time prior to the Merger being effected.

(b) The value of the Terminating Trust Fund's portfolio of assets will be determined at the close of business on the effective date of the Merger in accordance with the constating documents of the Terminating Trust Fund.

(c) The Corporation will acquire the investment portfolio and other assets of the Terminating Trust Fund in exchange for securities of Canoe North American Monthly Income Class and the portfolio of assets received by the Corporation will be included in the portfolio of assets attributable to Canoe North American Monthly Income Class.

(d) The Corporation will not assume any liabilities of the Terminating Trust Fund and the Terminating Trust Fund will retain sufficient assets to satisfy its estimated liabilities, if any, as of the effective date of the Merger.

(e) The Terminating Trust Fund will distribute a sufficient amount of its net income and net realized capital gains, if any, to securityholders to ensure that it will not be subject to tax for its current tax year.

(f) The securities of Canoe North American Monthly Income Class received by the Terminating Trust Fund will have an aggregate net asset value equal to the value of the portfolio of assets that Canoe North American Monthly Income Class is acquiring from the Terminating Trust Fund, and the securities of Canoe North American Monthly Income Class will be issued at the applicable series net asset value per security as of the close of business on the effective date of the Merger.

(g) Immediately thereafter, securities of Canoe North American Monthly Income Class received by the Terminating Trust Fund will be distributed to securityholders of the Terminating Trust Fund in exchange for their securities in the Terminating Trust Fund on a series-by-series and dollar for dollar basis, as applicable.

(h) As soon as reasonably possible following the Merger, and in any case within 60 days following the effective date of the Merger, the Terminating Trust Fund will be wound up.

21. The proposed Merger of the EnerVest Fund into Canoe Energy Class will be structured as follows:

(a) The articles of the EnerVest Fund will be amended to create a right of the EnerVest Fund to redeem mutual fund securities held by investors in exchange for property of the corporation in an amount equal to the net asset value of such securities on the effective date of the Merger.

(b) Prior to effecting the Merger, the EnerVest Fund will sell any securities in its portfolio that do not meet the investment objective and investment strategies of Canoe Energy Class. As a result, the portfolio of the EnerVest Fund may temporarily hold cash or money market instruments and may not be fully invested in accordance with its investment objective for a brief period of time prior to the Merger being effected.

(c) The value of the EnerVest Fund's portfolio of assets will be determined at the close of business on the effective date of the Merger in accordance with the constating documents of the EnerVest Fund.

(d) The Corporation will acquire the investment portfolio and other assets of the EnerVest Fund in exchange for Series A securities of Canoe Energy Class and the portfolio of assets received by the Corporation will be included in the portfolio of assets attributable to Canoe Energy Class.

(e) The Corporation will not assume any liabilities of the EnerVest Fund and the EnerVest Fund will retain sufficient assets to satisfy its estimated liabilities, if any, as of the effective date of the Merger.

(f) The EnerVest Fund may pay ordinary dividends or capital gains dividends to its securityholders.

(g) The Series A securities of Canoe Energy Class received by the EnerVest Fund will have an aggregate net asset value equal to the value of the portfolio of assets that Canoe Energy Class is acquiring from the EnerVest Fund, and the securities of

Canoe Energy Class will be issued at the series net asset value per security as of the close of business on the effective date of the Merger.

(h) Immediately thereafter, the mutual fund securities of the EnerVest Fund held by investors will be redeemed by the EnerVest Fund in exchange for the Series A securities of Canoe Energy Class received by EnerVest Fund in an amount equal to the net asset value of such securities on the effective date of the Merger.

(i) As soon as reasonably possible following the Merger, the EnerVest Fund will be wound up and dissolved.

22. The Manager will pay for the costs of the Mergers. These costs consist mainly of brokerage charges associated with the Merger-related trades that occur both before and after the effective date of the Mergers and legal, proxy solicitation, printing, mailing and regulatory fees.

23. No sales charges will be payable in connection with the acquisition by a Continuing Fund of the investment portfolio of its applicable Terminating Fund.

24. The investment portfolio and other assets of each Terminating Fund to be acquired by the applicable Continuing Fund in order to effect the Mergers are currently, or will be, acceptable, on or prior to the effective date of the Mergers, to the portfolio manager(s) of the applicable Continuing Fund and are, or will be, consistent with the investment objectives of the applicable Continuing Fund.

25. Each Terminating Fund will merge into its applicable Continuing Fund and the Continuing Funds will continue as publicly offered open-ended mutual funds.

Benefits of Mergers

26. The Manager believes that the Mergers are beneficial to securityholders of each Terminating Fund and Continuing Fund for the following reasons:

(a) the Mergers will result in a more streamlined and simplified product line-up that is easier for investors to understand;

(b) the Continuing Funds have delivered stronger long-term performance than the applicable Terminating Funds;

(c) for the Mergers of Canoe Global Balanced Fund into Canoe North American Monthly Income Class and Canoe Global Opportunities Class into Canoe Global Equity Income Class, the Continuing Fund may offer a broader investment mandate, thereby providing greater flexibility to the portfolio manager, which may improve returns;

(d) following the Mergers, each Continuing Fund will have a portfolio of greater value, which may allow for increased portfolio diversification opportunities if desired;

(e) each Continuing Fund, as a result of its greater size, may benefit from its larger profile in the marketplace to attract greater assets and thus allow for greater portfolio diversification;

(f) for the Merger of EnerVest Fund into Canoe Energy Class, there is significant overlap between portfolio holdings of the Terminating Fund and portfolio holdings of the Continuing Fund; and

(g) investors of each of the Terminating Funds will receive securities of the applicable Continuing Funds that have a management fee and administration fee that are the same as, or lower than, the management fee and administration fee charged in respect of the securities of the Terminating Fund that they currently hold.

Decision

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

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

"Denise Weeres"
Manager, Legal
Corporate Finance

2.1.3 Invesco Canada Ltd. et al.

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Approval of mutual fund mergers – approval required because the merger does not meet the criteria for pre-approved reorganizations and transfers in National Instrument 81-102 – the fundamental investment objectives of the terminating fund and the continuing fund are not substantially similar and the merger is not a "qualifying exchange" or a tax-deferred transaction under the Income Tax Act (Canada) – unitholders of the terminating fund are provided with timely and adequate disclosure regarding the merger.

Applicable Legislative Provisions

National Instrument 81-102 Investment Funds, ss. 5.5(1)(b), 19.1.

July 12, 2017

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
INVESCO CANADA LTD.
(the "Filer")

AND

IN THE MATTER OF
INVESCO EMERGING MARKETS DEBT FUND
(the "Terminating Fund")

and

INVESCO GLOBAL BOND FUND
("Continuing Fund", individually a "Fund", or collectively, the "Funds")

DECISION

Background

The principal regulator in the Jurisdiction has received an application from the Filer on behalf of the Terminating Fund for a decision under the securities legislation of the Jurisdiction of the principal regulator (the "**Legislation**") approving the proposed merger described below (the "**Proposed Merger**") of the Terminating Fund into the Continuing Fund pursuant to paragraph 5.5(1)(b) of National Instrument 81-102 *Investment Funds* ("**NI 81-102**") (the "**Approval Sought**").

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

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

(ii) the Filer has provided notice that section 4.7(1) of Multilateral Instrument 11-102 *Passport System* ("**MI 11-102**") is to be relied upon in British Columbia, Alberta, Saskatchewan, Manitoba, Québec, New Brunswick, Nova Scotia, Prince Edward Island, Newfoundland and Labrador, Yukon, Northwest Territories and Nunavut (together with Ontario, the "**Jurisdictions**").

Interpretation

Defined terms contained in NI 81-102, National Instrument 14-101 *Definitions* and MI 11-102 have the same meaning in this decision unless they are defined in this decision.

Representations

This Decision is based on the following facts represented by the Filer on behalf of the Funds:

1. The Filer:

(a) is a corporation amalgamated under the laws of Ontario;

(b) is an indirect wholly-owned subsidiary of Invesco Ltd., a global investment manager;

(c) has its head office in Toronto, Ontario;

(d) is registered as an investment fund manager in Ontario and is the manager of the Funds; and

(e) is not in default of applicable securities legislation in any jurisdiction.

The Funds

2. Each Fund:

(a) is an open-end mutual fund trust established under the laws of Ontario;

(b) is subject to and complies with NI 81-102, subject to any exemptions therefrom that may be available under applicable securities legislation or granted by securities regulatory authorities;

(c) has substantially similar valuation procedures and the net asset value of each series of each Fund is calculated on a daily basis on each day that The Toronto Stock Exchange is open for trading;

(d) is a reporting issuer under the securities laws of each of the provinces and territories of Canada;

(e) is qualified for distribution in all provinces and territories of Canada pursuant to the simplied prospectus and annual information form prepared in accordance with National Instrument 81-101 *Mutual Fund Prospectus Disclosure* (NI-81-101); and

(f) is not in default of securities legislation in any province or territory of Canada.

The Proposed Merger

3. On May 25, 2017, the Filer issued a press release announcing the Proposed Merger, the proposed date (July 24, 2017) for the unitholders' meeting to vote on the Proposed Merger and the date of the Proposed Merger (close of business on or about July 28, 2017). The press release, a material change report, an amendment to the simplified prospectus, an amendment to the annual information form and revised fund facts of the Terminating Fund, in each case relating to the Proposed Merger, were filed via SEDAR on May 26, 2017.

4. The Filer will be seeking the approval of the Proposed Merger by unitholders of the Terminating Fund pursuant to subsection 5.1(f) of NI 81-102 at meetings of unitholders to be held on July 24, 2017 (the "**Meeting**"). Subject to unitholder approval, the Merger will take place on or about July 28, 2017 (the "**Merger Date**"). The Continuing Fund will continue as a publicly offered open-end mutual fund.

5. The Funds' independent review committee ("**IRC**") has reviewed and made a positive recommendation with respect to the Proposed Mergers, having determined that the Proposed Mergers, if implemented, achieve a fair and reasonable result for each Fund. The decision of the IRC was included in the management information circular as required by section 5.1(2) of National Instrument 81-107 *Independent Review Committee for Investment Funds*.

6. By way of order dated December 5, 2016, the Filer was granted relief (the "**Notice-and-Access Relief**") from the requirement contained in paragraph 12.2(2)(a) of National Instrument 81-106 *Investment Fund Continuous Disclosure* to send a printed information circular to registered holders of securities of terminating funds whose proxies are solicited, and, subject to certain conditions, instead allows a Notice-and-Access Document (as defined in the Notice-and-Access Relief) to be sent to such securityholders.

7. Pursuant to the requirements of the Notice-and-Access Relief, a Notice-and-Access Document and applicable proxies in connection with the meeting of unitholders of the Terminating Fund, along with the applicable most recently filed fund facts documents of the Continuing Fund, were mailed to unitholders of the Terminating Fund in June 2017 and filed via SEDAR immediately prior to this mailing.

8. A Management Information Circular that contains, among other things, disclosure (i) of the management fees of the Continuing Fund, (ii) regarding the differences between the Funds, (iii) regarding the tax implication of the Proposed Merger, (iv) that the units of the Continuing Fund acquired by unitholders of the Terminating Fund will be subject to the same redemption charges to which their units of the Terminating Fund was subject prior to the Proposed Merger, and (v) that unitholders can obtain, at no cost, the simplified prospectus, annual information form, the most recent interim and annual financial statements and management report of fund performance of the Continuing Fund that have been made public by contacting the Filer or accessing the documents on the Filer's website, will be sent at the Filer's expense to any unitholders of the Terminating Fund who request a copy, and will be filed via SEDAR and be made available on the Filer's website immediately prior to the mailing of the Notice-and-access Document.

9. Unitholders of the Terminating Fund will continue to have the right to redeem the units of the Terminating Fund for cash at any time up to the close of business on the Merger Date. Effective close of business on the Merger Date, the Terminating Fund will cease distribution of securities (including purchases under existing pre-authorized chequing plans which will run in the Continuing Fund on the first business day following the Merger Date). Following implementation of the Proposed Merger, all systematic investment programs and systematic withdrawal programs that had been established with respect to the Terminating Fund (except for such programs in respect of certain series of the Terminating Fund that are being terminated and are not merging into the Continuing Fund), will be re-established on a series-for-series basis in the Continuing Fund unless unitholders advise the Filer otherwise. Unitholders may change or cancel any systematic program at any time.

10. The Proposed Merger will be structured as follows:

    (a) The Filer anticipates that there will be a period of approximately 4-5 business days between the Meeting and the Merger Date. If all necessary approvals are obtained, prior to the date of the Proposed Merger, the Terminating Fund will liquidate all of the assets in its portfolio that do not meet the investment objectives and investment strategies of the Continuing Fund. As a result, the Terminating Fund may hold the proceeds in cash, money market instruments or securities of affiliated money market funds. While it is expected that most of these changes will occur closer to the Merger Date than the date of the Meeting, the Terminating Fund may not be fully invested in accordance with its investment objectives for a brief period of time prior to the completion of the Proposed Merger.

    (b) The Terminating Fund will satisfy or otherwise make provisions for any liabilities attributable to it out of the assets attributable to it prior to the Merger Date.

    (c) The value of the Terminating Fund's portfolio and other assets will be determined at the close of business on the Merger Date in accordance with the Terminating Fund's declaration of trust.

    (d) The Continuing Fund will acquire the investment portfolio and other assets of the Terminating Fund in exchange for securities of the Continuing Fund.

    (e) The Continuing Fund will not assume the liabilities of the Terminating Fund, and the Terminating Fund will retain sufficient assets to satisfy its estimated liabilities, if any, as of the date of the Proposed Merger.

    (f) The units of the Continuing Fund received by each unitholder of the Terminating Fund will have the same aggregate net asset value as the securities of the Terminating Fund held by that securityholder on the Merger Date.

    (g) The aggregate net asset value of all units of the Continuing Fund received by all unitholders of the Terminating Fund will equal the value of the portfolio and other assets attributable to the Terminating Fund, and the securities of the Continuing Fund will be issued at the applicable series net asset value per unit as of the close of business on the Merger Date.

    (h) Immediately thereafter, the units of the Continuing Fund received by the Terminating Fund will be distributed to securityholders of the Terminating Fund on a dollar-for-dollar and series-by-series basis in exchange for their securities in the Terminating Fund.

    (i) The Terminating Fund will distribute a sufficient amount of its net income and net realized capital gains, if any, to ensure that it will not be subject to tax for its taxation year which is deemed, for tax purposes, to end on the date of the merger.

    (j) The Terminating Fund will be wound-up as soon as reasonably possible following the Proposed Merger.

11. The Filer will pay for the costs of the Proposed Merger. The costs consist mainly of brokerage charges associated with trades that occur before and after the date of the Proposed Merger and legal, proxy solicitation, printing, mailing and regulatory fees.

12. The Filer has concluded that the Proposed Merger is not material to the Continuing Fund, and accordingly, there is no intention to convene a meeting of the unitholders of the Continuing Fund to approve the Proposed Merger pursuant to paragraph 5.1(1)(g) of NI 81-102.

13. Units of the Continuing Fund received by unitholders of the Terminating Fund as a result of the Proposed Merger will have the same sales charge option and, for securities purchased under a deferred sales charge option, the same remaining deferred sales charge schedule, as their units in the Terminating Fund.

Reasons for Approval Sought

14. The fundamental investment objective of the Terminating Fund is to generate high income and capital appreciation by investing primarily in debt securities of emerging market issuers denominated in local currencies. The fundamental investment objective of the Continuing Fund is to generate income and capital appreciation by investing primarily in investment-grade debt securities of governments, corporations and other issuers around the world.

15. The Continuing Fund has loss carryforwards for tax purposes that will be lost if the Proposed Merger is implemented on a tax-deferred basis.

Consequently, the Proposed Merger will be effected on a taxable basis so that the Continuing Fund will preserve its unutilized loss carryforwards for use to shelter income and capital gains realized by the Continuing Fund in future years.

16. Securityholder approval of the Proposed Merger is required under section 5.1(1)(f) of NI 81-102 because the Proposed Merger does not satisfy all of the applicable conditions referenced in section 5.6(1) of NI 81-102; namely, the requirement that a reasonable person would consider the fundamental investment objectives of the Funds to be substantially similar, and the requirement that the Proposed Merger be a "qualifying exchange" within the meaning of section 132.2 of the *Income Tax Act* (Canada) (the "**Tax Act**") or a tax-deferred transaction under subsection 85(1), 85.1(1), 86(1) or 87(1) of the Tax Act, as required under section 5.6(1)(b) of NI 81-102.

17. Similarly, approval of the principal regulator of the Proposed Merger is required under section 5.5(1)(b) and section 5.6 of NI 81-102 because the Proposed Merger does not meet the pre-approval criteria under section 5.6 of NI 81-102 noted above. The Proposed Merger complies with all of the other criteria for pre-approved reorganizations and transfers set out in section 5.6 of NI 81-102.

Decision

The Principal Regulator is satisfied that the decision meets the test contained in the Legislation for the Principal Regulator to make the decision. The decision of the Principal Regulator under the Legislation is that the Approval Sought is granted provided that the unitholders of the Terminating Fund approve the Proposed Merger at the Meeting.

"Vera Nunes"
Manager, Investment Funds & Structured Products Branch
Ontario Securities Commission

2.1.4 TD Asset Management Inc.

Headnote

National Policy 11-203 – Process for Exemptive Relief Applications in Multiple Jurisdictions – exemption from section 2.1(1) of National Instrument 81-102 – Investment Funds to permit mutual funds to invest more than 10 percent of net assets in debt securities issued by a foreign government or supranational agency, subject to conditions.

Applicable Legislative Provisions

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

July 20, 2017

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

AND

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

AND

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

DECISION

Background

The principal regulator in the Jurisdiction has received an application from the Filer on behalf of TD Global Income Fund and TD Global Unconstrained Bond Fund (each the **Fund**, and together, the **Funds**) for a decision under the securities legislation of Ontario (the **Legislation**) for an exemption pursuant to section 19.1 of National Instrument 81-102 *Investment Funds* (**NI 81- 102**) from subsection 2.1(1) of NI 81-102 (th**e Concentration Restriction**) to permit each Fund to invest up to:

1. 20% of its net asset value at the time of the transaction in evidences of indebtedness of any one issuer if those evidences of indebtedness are issued, or guaranteed fully as to principal and interest, by supranational agencies or governments other than the government of Canada, the government of a province or territory of Canada or the government of the United States of America and are rated "AA" by Standard & Poor's Rating Services (Canada) (**S&P**) or its DRO affiliate, or have an equivalent rating by

one or more other designated rating organizations or their DRO affiliates; and

2. 35% of its net asset value at the time of the transaction in evidences of indebtedness of any one issuer if those evidences of indebtedness are issued, or guaranteed fully as to principal and interest, by supranational agencies or governments other than the government of Canada, the government of a province or territory of Canada or the government of the United States of America and are rated “AAA” by S&P or its DRO affiliate, or have an equivalent rating by one or more other designated rating organizations or their DRO affiliates.

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

The evidences of indebtedness as described above are collectively referred to as **Foreign Government Securities**.

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 each of the other provinces and territories of Canada.

Interpretation

Defined terms contained in NI 81-102, National Instrument 14-101 *Definitions* and MI 11-102 have the same meaning in this decision unless otherwise defined.

Representations

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

1. The Filer is registered as an investment fund manager in the provinces of Ontario, Quebec and Newfoundland and is registered as a portfolio manager and exempt market dealer in all the provinces and territories of Canada. The Filer is also registered under the *Commodity Futures Act* (Ontario) in the category of commodity trading manager in the province of Ontario and under the *Derivatives Act* (Quebec) in the category of derivatives portfolio manager in the province of Quebec.

2. The Filer is a corporation governed by the laws of Ontario. The head office of the Filer is located in Toronto, Ontario.

3. The Filer will be the trustee, manager and portfolio adviser of the Funds.

4. Each Fund will be an open-end mutual fund trust established under the laws of Ontario.

5. Securities of the Funds will be offered by way of a simplified prospectus dated on or about July 27, 2017 filed in all of the provinces and territories in Canada (the **Simplified Prospectus**) and, accordingly, the Funds will be reporting issuers in all of the provinces and territories of Canada.

6. Neither the Filer nor the Funds are in default of securities legislation in any jurisdiction in Canada.

7. The fundamental investment objective of TD Global Income Fund is expected to be substantially as follows: "to seek to earn current income while preserving capital by investing primarily in fixed-income securities of issuers anywhere in the world."

8. To achieve its investment objectives, TD Global Income Fund will employ a strategy of fundamental economic analysis of each country and currency region. The Fund may invest in fixed-income securities of issuers anywhere in the world. As part of its investment strategies, the Fund's portfolio managers would like to invest a portion of its assets in Foreign Government Securities. Depending on market conditions, the Fund's portfolio managers seek the discretion to gain exposure to any one issuer of Foreign Government Securities in excess of the Concentration Restriction.

9. The fundamental investment objective of TD Global Unconstrained Bond Fund is expected to be substantially as follows: "to seek to maximize total return while preserving capital by investing primarily in fixed-income securities of issuers anywhere in the world."

10. To achieve its investment objectives, TD Global Unconstrained Bond Fund will employ a strategy of fundamental economic analysis of each country and currency region that is complemented with a bottom-up approach to fixed-income security selection. The Fund has broad investment discretion to invest in issuers in any industry or sector in order to achieve positive returns in any market conditions. The Fund may invest in fixed-income securities of issuers anywhere in the world. As part of its investment strategies, the Fund's portfolio managers would like to invest a portion of its assets in Foreign Government Securities. Depending on market conditions, the Fund's portfolio managers seek the discretion to gain exposure to any one issuer of Foreign Government Securities in excess of the Concentration Restriction.

11. Section 2.1(1) of NI 81-102 prohibits each Fund from purchasing a security of an issuer, other than a "government security" as defined in NI 81-102, if immediately after the purchase more than 10% of the net asset value of the Fund, taken at market value at the time of the purchase, would be invested in securities of the issuer.

12. The Foreign Government Securities are not within the meaning of "government securities" as such term is defined in NI 81-102.

13. The Filer believes that the Exemption Sought will better enable the Funds to achieve their fundamental investment objectives.

14. The Funds will only purchase Foreign Government Securities if the purchase is consistent with the Funds' fundamental investment objectives.

15. In Companion Policy 81-102CP (the **Companion Policy**), the Canadian Securities Administrators state their views on various matters relating to NI 81-102. Subsection 3.1(4) of the Companion Policy indicates that relief from paragraph 2.04(1)(a) of National Policy 39, which was replaced by the Concentration Restriction, has been provided to mutual funds generally under the following circumstances:

    (a) The mutual fund has been permitted to invest up to 20% of its net asset value in evidences of indebtedness of any one issuer if those evidences of indebtedness are issued, or guaranteed fully as to principal and interest, by supranational agencies or governments other than the government of Canada, the government of a jurisdiction, or the government of the United States of America and are rated "AA" by S&P or its DRO affiliate, or have an equivalent rating by one or more other designated credit rating organizations or their DRO affiliates; and

    (b) The mutual fund has been permitted to invest up to 35% of its net asset value in evidences of indebtedness of any one issuer if those evidences of indebtedness are issued, or guaranteed fully as to principal and interest, by supranational agencies or governments other than the government of Canada, the government of a jurisdiction, or the government of the United States of America and are rated "AAA" by S&P or its DRO affiliate, or have an equivalent rating by one or more other designated credit rating organizations or their DRO affiliates.

16. The Simplified Prospectus for the Funds will disclose the risks associated with the concentration of net assets of the Funds in securities of a limited number of issuers.

Decision

The principal regulator is satisfied that the decision meets the test set out in the Legislation for the principal regulator to make the decision. The decision of the principal regulator under the Legislation is that the Exemption Sought is granted provided that, in respect of each Fund:

1. Paragraphs 1 and 2 of the Exemption Sought cannot be combined for any one issuer;

2. Any security that may be purchased under the Exemption Sought is traded on a mature and liquid market;

3. The acquisition of the securities purchased pursuant to this Decision is consistent with the fundamental investment objective of the Fund;

4. The Simplified Prospectus of the Funds discloses the additional risks associated with the concentration of the net assets of the Funds in securities of fewer issuers, such as the potential additional exposure to the risk of default of the issuer in which the Funds have so invested and the risks, including foreign exchange risks, of investing in the country in which that issuer is located; and

5. The Simplified Prospectus of the Funds discloses, in the investment strategy section, a summary of the nature and terms of the Exemption Sought along with the conditions imposed and the type of securities covered by this Decision.

“Vera Nunes”
Manager
Investment Funds and Structured Products Branch
Ontario Securities Commission

2.1.5 BMO Investments Inc.

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Large investment fund manager and mutual fund dealer with separate investment fund manager and mutual fund dealer operating lines of business exempted from the requirement to designate an individual as a chief compliance officer (CCO) and an individual as ultimate designated person (UDP) – permitted to designate two CCOs and two UDPs, one CCO and one UDP for each line of business.

Applicable Legislative Provisions

Multilateral Instrument 11-102 Passport System, s. 4.7.
National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations, ss. 11.2, 11.3, 15.1.

July 21, 2017

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
BMO INVESTMENTS INC.
(the Filer)

DECISION

Background

The principal regulator in the Jurisdiction has received an application from the Filer for a decision under the securities legislation of the Jurisdiction (the **Legislation**), pursuant to section 15.1 of National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations* (**NI 31-103**), for an exemption from the requirements contained in:

(a) section 11.2 of NI 31-103 to designate an individual to be the ultimate designated person (**UDP**) so that the Filer may designate two individuals as UDP, and

(b) section 11.3 of NI 31-103 to designate and have registered an individual to be the chief compliance officer (**CCO**) so that the Filer may designate two individuals as CCO,

in respect of its two distinct lines of business (the **Exemption Sought**).

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

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

(b) the Filer has provided notice that subsection 4.7(1) of Multilateral Instrument 11-102 *Passport System* (**MI 11-102**) is intended to be relied upon in each jurisdiction of Canada outside of Ontario (together with the Jurisdiction, the **Filing Jurisdictions**).

Interpretation

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

Representations

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

The Filer

1. The Filer is a corporation incorporated under the laws of Canada with its head office in the Jurisdiction.

2. The Filer is registered as an investment fund manager in Ontario, Québec and Newfoundland and Labrador. The Filer is also registered as a mutual fund dealer in each of the Filing Jurisdictions. The Filer is a member of the Mutual Fund Dealers Association of Canada.

3. The Filer is not in default of any requirements of securities legislation in any of the Filing Jurisdictions.

The Lines of Business

4. The Filer has two distinct lines of business (each, a **Line of Business**):

(a) one Line of Business (the **IFM Line**) currently provides investment fund management services to approximately 95 BMO Mutual Funds, which are subject to National Instrument 81-102 *Investment Funds* (the BMO Funds); and

(b) one Line of Business (the **MFD Line**) distributes securities of the BMO Funds, other mutual funds managed by third party fund managers, and other products

through the Bank of Montreal branch network.

5. Each of the IFM Line and the MFD Line has separate and distinct regulatory requirements, business activities and operational structures. Each of the IFM Line and the MFD Line has specific compliance professionals designated to each Line of Business.

The UDP

6. Currently, the Filer has one UDP responsible for both the IFM Line and the MFD Line. The Filer wishes to designate one individual who is registered under securities legislation in Ontario, Québec and Newfoundland and Labrador in the category of UDP as UDP of the IFM Line and a different individual who is registered under securities legislation in the Filing Jurisdictions in the category of UDP as UDP of the MFD Line.

7. Each of the UDPs will be the most senior manager of the respective Line of Business and will be a senior officer of the Filer.

8. The UDPs of the IFM Line and MFD Line, regardless of their titles from time to time, will each have the role that is the equivalent of chief executive officer in respect of the Line of Business for which he or she is responsible and will be the most senior and final decision maker for his or her Line of Business. This means that each UDP fulfills the following roles for his or her Line of Business:

   (a) supervises, oversees and otherwise is responsible for running the Line of Business;

   (b) provides clear leadership and promotes a culture of compliance within the Line of Business;

   (c) is accountable for the operations and financial performance of the Line of Business;

   (d) is the individual that the executive management within the Line of Business report to; and

   (e) is accountable for reporting to the Board of Directors of the Filer with respect to the Line of Business.

9. There will be no line of reporting between the two UDPs. Each UDP will have direct access to the Board of Directors of the Filer and no other executive officer of the Filer will have the authority to overrule a decision of either of them.

The CCO

10. Currently, the Filer has one CCO responsible for both the IFM Line and the MFD Line. The Filer wishes to designate one individual who is registered under securities legislation in Ontario, Québec and Newfoundland and Labrador in the category of CCO as CCO of the IFM Line and a different individual who is registered under securities legislation in the Filing Jurisdictions in the category of CCO as CCO of the MFD Line.

11. The CCO of each Line of Business will report directly to the respective UDP of the same Line of Business for the purposes of NI 31-103 and will have direct access to the Board of Directors of the Filer.

12. The Filer and certain affiliated parties agreed to a no-contest settlement agreement with the OSC, which was approved on December 15, 2016 in relation to a matter that the parties discovered and self-reported to the OSC (the **Settlement Agreement**). While having neither admitted nor denied the accuracy of the facts and conclusions of OSC staff, the Filer provided prompt, detailed and candid co-operation to OSC staff, and also implemented additional controls and supervision to prevent a recurrence of this matter.

REASONS FOR EXEMPTION SOUGHT

The UDP Requirement

13. Under section 11.2 of NI 31-103, a registered firm is required to designate and have registered an individual to be the UDP (the **UDP Requirement**) and the UDP must be one of the following: (a) the chief executive officer of the registered firm or, if the firm does not have a chief executive officer, an individual acting in a capacity similar to a chief executive officer; (b) the sole proprietor of the registered firm; (c) the officer in charge of a division of the registered firm, if the activity that requires the firm to register occurs only within the division and the firm has significant other business activities.

14. Given the scope and specialized and diversified business operations within each of the MFD Line and the IFM Line, designating only one UDP for purposes of satisfying the UDP Requirement would not be consistent with the policy objectives the securities legislation is intended to achieve. The UDP of each Line of Business requires a different subject matter and business expertise and set of skills, experience and focus to effectively discharge their respective responsibilities. It would be difficult for any one individual to (i) act as the Filer's UDP; (ii) identify and stay abreast of the different issues and risks applicable to each Line of Business; and (iii) escalate all such issues and risks to the Board of

Directors of the Filer in a timely and effective manner.

The CCO Requirement

15. Under section 11.3 of NI 31-103, a registered firm is required to designate and have registered an individual to be the CCO (the **CCO Requirement**).

16. The Companion Policy to NI 31-103, at section 5.2 *Responsibilities of the chief compliance officer*, states, in part, that:

> Firms must designate one CCO. However, in large firms, the scale and kind of activities carried out by different operating divisions may warrant the designation of more than one CCO. [The Canadian Securities Administrators] will consider applications, on a case-by-case basis, for different individuals to act as the CCO of a firm's operating divisions.

17. Designating only one CCO for the purposes of satisfying the CCO Requirement would not be consistent with the policy objectives it is intended to achieve because the IFM Line and the MFD Line are separate business operations that are distinct from one another in nature and are conducted on a very large scale.

18. The CCO of each Line of Business will oversee a compliance system that is reasonably designed to ensure that the Line of Business for which he or she is the CCO, and each person acting on its behalf, complies with applicable securities legislation and will manage the risks associated with the respective Line of Business in accordance with prudent business practices.

19. Upon the Exemption Sought being granted, the CCO of each Line of Business will have direct access to the Filer's UDP for the applicable Line of Business for the purposes of NI 31-103, will report as required to the Board of Directors of the Filer and will comply in all other respects with applicable securities requirements, including the requirements set out in NI 31-103.

20. Allowing the Filer to designate and have registered a separate UDP and CCO for each Line of Business is consistent with:

    (a) the policy objectives of the UDP Requirement and of the CCO Requirement, respectively; and

    (b) other Director's decisions granted in similar circumstances, for example, the Director's decision dated June 30, 2014 *In the Matter of 1832 Asset Management L.P.* where 1832 Asset Management L.P. was permitted to designate and register three CCOs and three UDPs.

Decision

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

The decision of the principal regulator under the Legislation is that the Exemption Sought is granted so that the Filer may have a separate UDP and a separate CCO for each of its two Lines of Business, provided that:

(i) each Line of Business shall have its own UDP, who shall be the equivalent of the chief executive officer in respect of the Line of Business for which he or she is the UDP;

(ii) only one individual is the UDP of each Line of Business;

(iii) each UDP fulfills the responsibilities set out in section 5.1 of NI 31-103, or any successor provision thereto, in respect of the Line of Business for which he or she is the designated UDP;

(iv) each Line of Business shall have its own CCO;

(v) only one individual is the CCO of each Line of Business;

(vi) each CCO reports to the UDP of the Line of Business for which he or she is the designated CCO;

(vii) each CCO fulfills the responsibilities set out in section 5.2 of NI 31-103, or any successor provision thereto, in respect of the Line of Business for which he or she is the designated CCO; and

(viii) each UDP and each CCO has direct access to the Board of Directors of the Filer.

"Elizabeth King"
Deputy Director
Compliance and Registrant Regulation
Ontario Securities Commission

2.1.6 Aberdeen Asset Management Inc. and Aberdeen Asia-Pacific Income Investment Company Limited

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – approval for change of control of manager under s. 5.5(1)(a.1) of National Instrument 81-102 Investment Funds – Proposed Merger will not result in a change to the investment fund manager or to amalgamate or merge the Manager with any other entity, for the foreseeable future.

Applicable Legislative Provisions

National Instrument 81-102 Investment Funds, ss. 5.5(1)(a.1), 5.7(1)(a), 19.1.

July 20, 2017

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
ABERDEEN ASSET MANAGEMENT INC.
(AAMI or the Filer)

AND

IN THE MATTER OF
ABERDEEN ASIA-PACIFIC INCOME
INVESTMENT COMPANY LIMITED
(FAP)

DECISION

Background

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 approval of an indirect change of control of AAMI for purposes of National Instrument 81-102 – *Investment Funds* (**NI 81-102**) (**Change of Control**), the investment fund manager of FAP, in accordance with section 5.5(1)(a.1) of NI 81-102 (the **Approval 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 (the **Principal Regulator**); 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 each of the provinces of Canada other than Ontario (collectively, with Ontario, the **Jurisdictions**).

Interpretation

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

Representations

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

The Filer

1. AAMI is incorporated and existing under the laws of Delaware with its head office in Philadelphia, Pennsylvania.

2. AAMI is registered as a portfolio manager in Ontario, New Brunswick and Nova Scotia, and as an investment fund manager (**IFM**) in Newfoundland and Labrador, Ontario and Québec.

3. AAMI acts as the IFM for FAP.

4. AAMI is a direct wholly-owned subsidiary of Aberdeen Asset Management PLC (**Aberdeen**). Aberdeen is not a registrant under the securities legislation of any Canadian jurisdiction.

5. AAMI is not in default of securities legislation in any of the Jurisdictions.

FAP

6. FAP is a closed-end investment company organized under the *International Companies Act, 1981-1982* (Cook Islands) whose ordinary shares are listed on the Toronto Stock Exchange (TSX: FAP).

7. FAP is not in default of applicable securities legislation in any of the Jurisdictions.

The Proposed Merger

8. Aberdeen and Standard Life plc (**Standard Life**) have proposed to merge by means of a scheme of arrangement sanctioned by the Court of Session in Edinburgh between Aberdeen and its shareholders under Part 26 of the UK Companies

Act 2006 (the **Scheme**). Under this structure, assuming that the Scheme is approved, Standard Life will acquire the entire share capital of Aberdeen under the terms of the Scheme (the **Proposed Merger**).

9. Standard Life and Aberdeen announced certain terms of the Proposed Merger in an announcement dated March 6, 2017 pursuant to Rule 2.7 of the the UK City Code on Mergers and Takeovers.

10. On May 12, 2017, a notice regarding the Proposed Merger was sent to the Registration Regulation Branch of the Ontario Securities Commission pursuant to section 11.09 of National Instrument 31-103 – *Registration Requirements and Exemptions and Ongoing Registrant Obligations*.

11. On June 14, 2017, AAMI sent notice to each of the shareholders of FAP of the Change of Control of AAMI that will result from the completion of the Proposed Merger, in accordance with Section 5.8(1)(a) of NI 81-102.

12. At meetings held on June 19, 2017, shareholders of both Standard Life and Aberdeen voted to approve the Proposed Merger.

13. Subject to obtaining the requisite approvals, including the Approval Sought, Standard Life and Aberdeen expect the Proposed Merger to be completed on or about August 14, 2017.

Effect of the Proposed Merger on AAMI and FAP

14. The Proposed Merger will result in Standard Life becoming the ultimate parent company of AAMI.

15. The Proposed Merger is not expected to result in a material change on the business, operations or affairs of AAMI (as it relates to FAP), of FAP, or on the shareholders of FAP, because:

    (a) AAMI will continue to act as the IFM of FAP immediately after the Proposed Merger;

    (b) the Proposed Merger is not expected to result in any changes to how AAMI operates or manages FAP;

    (c) the Proposed Merger will not result in any changes to the name, investment objectives, investment strategies and valuation procedures of FAP;

    (d) there are no current plans replace Aberdeen Asset Management Asia Limited as the portfolio adviser of FAP or change the team responsible for making the investment decisions, the board of directors, the custodian, the auditor, or management fees or expenses of FAP, as a result of the Proposed Merger;

    (e) there is no current intention to change the CCO, the UDP, key management, directors, permitted individuals or registered individuals of AAMI; and

    (f) the Proposed Merger will not adversely affect AAMI's financial position or its ability to fulfill its regulatory obligations.

16. There is no current intention to amalgamate or merge AAMI with another investment fund manager or to change the IFM of FAP within the foreseeable future.

17. Upon the Change of Control, by operation of section 3.10(1(c) of National Instrument 81-107 *Independent Review Committee for Investment Funds*, the members of FAP's independent review committee ("**IRC**") will cease to be IRC members. Immediately following the completion of the Proposed Merger, AAMI intends to re-appoint each member of the IRC, in an effort to reconstitute the IRC with the same members.

18. The Change of Control of AAMI is not expected to have any negative consequences on the ability of AAMI to satisfy its obligations to FAP or to adversely affect the operation and administration of FAP. At this time, AAMI does not anticipate that the Proposed Merger will give rise to any conflicts of interest in addition to those that are currently managed in the ordinary course of FAP's business.

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 Approval Sought is granted.

"Vera Nunes"
Manager, Investment Funds and Structured Products
Ontario Securities Commission

2.2 Orders

2.2.1 Fort, L.P. – s. 80 of the CFA

Headnote

Section 80 of the Commodity Futures Act (Ontario)(the CFA) – Foreign adviser firm exempted from the adviser registration requirement in paragraph 22(1)(b) of the CFA where: (i) it acts as an adviser in respect of commodity futures contracts or commodity futures options for certain investors in Ontario who meet the definition of "permitted client" in NI 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations; and (ii) the commodity futures contract or commodity futures option is primarily traded on commodity futures exchanges outside of Canada and primarily cleared outside of Canada.

Terms and conditions of exemption in Order correspond to the relevant terms and conditions of the exemption from the adviser registration requirement available to international advisers in respect of securities set out in section 8.26 of NI 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations – Exemption in Order includes individuals acting on behalf of the foreign adviser firm – Exemption in Order is also subject to a "sunset clause" condition.

Statutes Cited

Commodity Futures Act, R.S.O. 1990, c. C.20. as am., ss. 1(1), 22(1)(b) and 80.
Securities Act, R.S.O. 1990, c. S.5, as am.
Ontario Securities Commission Rule 13-502 Fees, Part 3 and s. 6.4.
National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations, ss. 1.1, 8.26.
National Instrument 33-109 Registration Information, Form 33-109F6.

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

AND

IN THE MATTER OF
FORT, L.P.

ORDER
(Section 80 of the CFA)

UPON the application (the **Application**) of FORT, L.P. (the **Applicant**) to the Ontario Securities Commission (the **Commission**) for an order pursuant to section 80 of the CFA that the Applicant and any individuals engaging in, or holding themselves out as engaging in, the business of advising others as to trading in Contracts (as defined below) on the Applicant's behalf (the **Representatives**) be exempt, for a specified period of time, from the adviser registration requirement in paragraph 22(1)(b) of the CFA, subject to certain terms and conditions;

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

AND WHEREAS for the purposes of this Order:

"CFA Adviser Registration Requirement" means the requirement in paragraph 22(1)(b) of the CFA that prohibits a person or company from acting as an adviser with respect to trading in Contracts unless the person or company is registered in the appropriate category of registration under the CFA;

"CFTC" means the Commodity Futures Trading Commission of the United States;

"Contract" has the meaning ascribed to that term in subsection 1(1) of the CFA;

"Foreign Contract" means a Contract that is primarily traded on one or more organized exchanges that are located outside of Canada and primarily cleared through one or more clearing corporations that are located outside of Canada;

"International Adviser Exemption" means the exemption set out in section 8.26 of NI 31-103 from the OSA Adviser Registration Requirement;

"International Investment Fund Manager Exemption" means the exemption set out in section 4 of Multilateral Instrument 32-102 – *Registration Exemptions for Non-Resident Investment Fund Managers*;

"NI 31-103" means National Instrument 31-103, *Registration Requirements, Exemptions and Ongoing Registrant Obligations*;

"OSA" means the *Securities Act*, R.S.O. 1990, c. S.5, as amended;

"OSA Adviser Registration Requirement" means the requirement in the OSA that prohibits a person or company from engaging in or holding himself, herself or itself out as engaging in the business of advising others as to the investing in or the buying or selling of securities, unless the person or company is registered in the appropriate category of registration under the OSA;

"Permitted Client" means a client in Ontario that is a "permitted client", as that term is defined in section 1.1 of NI 31-103, except that for purposes of this Order such definition shall exclude a person or company registered as an adviser or dealer under the securities legislation or derivatives legislation, including commodity futures legislation, of a jurisdiction of Canada;

"SEC" means the Securities and Exchange Commission of the United States; and

"specified affiliate" has the meaning ascribed to that term in Form 33-109F6 to National Instrument 33-109 *Registration Information*.

AND UPON the Applicant having represented to the Commission that:

1. The Applicant is a limited partnership formed under the laws of the State of Delaware and its principal place of business is located in the United States of America.

2. The Applicant is authorized to provide investment services by the Commodity Futures and Trading Commission (**CFTC**) and the Securities and Exchange Commission (**SEC**). As a registered investment firm, the Applicant is subject to prudential regulation and on-going supervision by the CFTC and SEC.

3. The Applicant operates as an investment fund manager and asset management firm and offers investment advice and portfolio management services to institutional clients and high net worth individuals. The Applicant serves a diversified client base, the majority of which are institutional asset managers, pension funds, sovereign wealth funds, family offices and high net-worth individuals.

4. As of May 1, 2017, the Applicant managed approximately U.S.$3.5 billion in assets.

5. The Applicant is authorized by the CFTC and SEC to advise on, *inter alia*, securities, options, futures, swaps, forward rate agreements and any other derivative contracts.

6. The Applicant is not registered under the OSA or CFA in Ontario or under the securities legislation or derivatives legislation, including commodity futures legislation, of any other jurisdiction of Canada. However, the Applicant has made application for registration as a dealer in the category of exempt market dealer in the provinces of Ontario, Québec, Alberta and British Columbia.

7. The Applicant currently relies upon the International Investment Fund Manager Exemption and the International Adviser Exemption to act as an investment fund manager in respect of certain investment funds and to provide certain advisory services in respect of securities to residents of Ontario and Québec.

8. The Applicant is not in default of the securities legislation or derivatives legislation, including commodity futures legislation, of any jurisdiction of Canada. The Applicant is also in compliance in all material respects with securities law, commodity futures law and derivatives laws of the United States of America.

9. Certain investors that are Permitted Clients, including separately managed accounts, mutual funds and collective investment trust funds, seek to engage the Applicant as an investment adviser for the purposes of implementing certain investment strategies, including providing advice as to trading in Foreign Contracts and managing trading in Foreign Contracts through discretionary authority.

10. Paragraph 22(1)(b) of the CFA prohibits a person or company from acting as an adviser in respect of Contracts unless the person or company is registered as an adviser under the CFA, or is registered as a representative or as partner or an officer of a registered adviser and is acting on behalf of a registered adviser.

11. There is currently no exemption from the CFA Adviser Registration Requirement that is equivalent to the International Adviser Exemption. Consequently, in order to advise Permitted Clients as to trading in Foreign Contracts, in the absence of this Order, the Applicant would be required to satisfy the CFA Adviser Registration Requirement by applying for and obtaining registration under the CFA in the appropriate category of registration.

12. To the best of the Applicant's knowledge, the Applicant confirms that there are currently no regulatory actions of the type contemplated by the Notice of Regulatory Action attached as Appendix "B".

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

IT IS ORDERED, pursuant to section 80 of the CFA, that the Applicant and its Representatives are exempt from the adviser registration requirement in paragraph 22(1)(b) of the CFA in respect of providing advice to Permitted Clients as to the trading of Foreign Contracts provided that:

(a) the Applicant provides advice to Permitted Clients only as to trading in Foreign Contracts and does not advise any Permitted Client as to trading in Contracts that are not Foreign Contracts, unless providing such advice is incidental to its providing advice on Foreign Contracts;

(b) the Applicant's head office or principal place of business remains in the United States of America;

(c) the Applicant is registered in a category of registration, or operates under an exemption from registration, under the applicable securities or derivatives legislation, including commodity futures legislation of the United States that permits it to carry on the activities in the United States of America that registration under the CFA as an adviser in the category of commodity trading manager would permit it to carry on in Ontario;

(d) the Applicant continues to engage in the business of an adviser (as defined in the CFA) in the United States of America;

(e) as at the end of the Applicant's most recently completed financial year, not more than 10% of the aggregate consolidated gross revenue of the Applicant, its affiliates and its affiliated partnerships (excluding the gross revenue of an affiliate or affiliated partnership of the Applicant if the affiliate or affiliated partnership is registered under securities legislation, commodities legislation or derivatives legislation of a jurisdiction of Canada) was derived from the portfolio management activities of the Applicant, its affiliates and its affiliated partnerships in Canada (which, for greater certainty, includes both securities-related and commodity-futures-related activities);

(f) before advising a Permitted Client with respect to Foreign Contracts, the Applicant notifies the Permitted Client of all of the following:

  (i) the Applicant is not registered in Ontario to provide the advice described in paragraph (a) of this Order;

  (ii) the foreign jurisdiction in which the Applicant's head office or principal place of business is located;

  (iii) all or substantially all of the Applicant's assets may be situated outside of Canada;

  (iv) there may be difficulty enforcing legal rights against the Applicant because of the above; and

  (v) the name and address of the Applicant's agent for service of process in Ontario;

(g) the Applicant has submitted to the Commission a completed Submission to Jurisdiction and Appointment of Agent for Service in the form attached as Appendix "A";

(h) the Applicant notifies the Commission of any regulatory action initiated after the date of this Order with respect to the Applicant or any predecessors or the specified affiliates of the Applicant by completing and filing Appendix "B" within 10 days of the commencement of each such action;

(i) if the Applicant is not registered under the OSA and does not rely on the International Adviser Exemption, by December 31st of each year, the Applicant pays a participation fee based on its specified Ontario revenues for its previous financial year in compliance with the requirements of Part 3 and section 6.4 of Ontario Securities Commission Rule 13-502 Fees as if the Applicant relied on the International Adviser Exemption; and

IT IS FURTHER ORDERED that this Order will terminate on the earliest of:

(a) the expiry of any transition period as may be provided by law, after the effective date of the repeal of the CFA;

(b) six months, or such other transition period as may be provided by law, after the coming into force of any amendment to Ontario commodity futures law (as defined in the CFA) or Ontario securities law (as defined in the OSA) that affects the ability of the Applicant to act as an adviser to a Permitted Client; and

(c) five years after the date of this Order.

DATED at Toronto, Ontario, this 18th day of July, 2017.

"Robert P. Hutchison"
Commissioner
Ontario Securities Commission

"Frances Kordyback"
Commissioner
Ontario Securities Commission

APPENDIX "A"

SUBMISSION TO JURISDICTION AND APPOINTMENT OF AGENT FOR SERVICE

INTERNATIONAL DEALER OR INTERNATIONAL ADVISER EXEMPTED FROM REGISTRATION UNDER THE COMMODITY FUTURES ACT, ONTARIO

1. Name of person or company ("International Firm"):

2. If the International Firm was previously assigned an NRD number as a registered firm or an unregistered exempt international firm, provide the NRD number of the firm:

3. Jurisdiction of incorporation of the International Firm:

4. Head office address of the International Firm:

5. The name, e-mail address, phone number and fax number of the International Firm's individual(s) responsible for the supervisory procedure of the International Firm, its chief compliance officer, or equivalent.

   Name:
   E-mail address:
   Phone:
   Fax:

6. The International Firm is relying on an exemption order under section 38 or section 80 of the *Commodity Futures Act* (Ontario) that is similar to the following exemption in National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations* (the "Relief Order"):

   ☐ Section 8.18 [*international dealer*]

   ☐ Section 8.26 [*international adviser*]

   ☐ Other [specify]:

7. Name of agent for service of process (the "Agent for Service"):

8. Address for service of process on the Agent for Service:

9. The International Firm designates and appoints the Agent for Service at the address stated above as its agent upon whom may be served a notice, pleading, subpoena, summons or other process in any action, investigation or administrative, criminal, quasi-criminal or other proceeding (a "Proceeding") arising out of or relating to or concerning the International Firm's activities in the local jurisdiction and irrevocably waives any right to raise as a defence in any such proceeding any alleged lack of jurisdiction to bring such Proceeding.

10. The International Firm irrevocably and unconditionally submits to the non-exclusive jurisdiction of the judicial, quasi-judicial and administrative tribunals of the local jurisdiction in any Proceeding arising out of or related to or concerning the International Firm's activities in the local jurisdiction.

11. Until 6 years after the International Firm ceases to rely on the Relief Order, the International Firm must submit to the regulator

    a. a new Submission to Jurisdiction and Appointment of Agent for Service in this form no later than the 30th day before the date this Submission to Jurisdiction and Appointment of Agent for Service is terminated;

    b. an amended Submission to Jurisdiction and Appointment of Agent for Service no later than the 30th day before any change in the name or above address of the Agent for Service;

    c. a notice detailing a change to any information submitted in this form, other than the name or above address of the Agent for Service, no later than the 30th day after the change.

12. This Submission to Jurisdiction and Appointment of Agent for Service is governed by and construed in accordance with the laws of the local jurisdiction.

Dated: _____

_____
(Signature of the International Firm or authorized signatory)

_____
(Name of signatory)

_____
(Title of signatory)

Acceptance

The undersigned accepts the appointment as Agent for Service of _____ [Insert name of International Firm] under the terms and conditions of the foregoing Submission to Jurisdiction and Appointment of Agent for Service.

Dated: _____

_____
(Signature of the Agent for Service or authorized signatory)

_____
(Name of signatory)

_____
(Title of signatory)

This form, and notice of a change to any information submitted in this form, is to be submitted through the Ontario Securities Commission's Electronic Filing Portal:

https://www.osc.gov.on.ca/filings

APPENDIX "B"

NOTICE OF REGULATORY ACTION

1. Has the firm, or any predecessors or specified affiliates[1] of the firm entered into a settlement agreement with any financial services regulator, securities or derivatives exchange, SRO or similar agreement with any financial services regulator, securities or derivatives exchange, SRO or similar organization?

   Yes _____ No _____

   If yes, provide the following information for each settlement agreement:

Name of entity
Regulator/organization
Date of settlement (yyyy/mm/dd)
Details of settlement
Jurisdiction

2. Has any financial services regulator, securities or derivatives exchange, SRO or similar organization:

		Yes	No
a)	Determined that the firm, or any predecessors or specified affiliates of the firm violated any securities regulations or any rules of a securities or derivatives exchange, SRO or similar organization?	___	___
(b)	Determined that the firm, or any predecessors or specified affiliates of the firm made a false statement or omission?	___	___
(c)	Issued a warning or requested an undertaking by the firm, or any predecessors or specified affiliates of the firm?	___	___
(d)	Suspended or terminated any registration, licensing or membership of the firm, or any predecessors or specified affiliates of the firm?	___	___
(e)	Imposed terms or conditions on any registration or membership of the firm, or predecessors or specified affiliates of the firm?	___	___
(f)	Conducted a proceeding or investigation involving the firm, or any predecessors or specified affiliates of the firm?	___	___
(g)	Issued an order (other than an exemption order) or a sanction to the firm, or any predecessors or specified affiliates of the firm for securities or derivatives-related activity (e.g. cease trade order)?	___	___

   If yes, provide the following information for each action:

Name of entity	
Type of action	
Regulator/organization	
Date of action (yyyy/mm/dd)	Reason for action
Jurisdiction	

[1] In this Appendix, the term "specified affiliate" has the meaning ascribed to that term in Form 33-109F6 to National Instrument 33-109 *Registration Information*.

3. Is the firm aware of any ongoing investigation of which the firm or any of its specified affiliates is the subject?

Yes _____ No _____

If yes, provide the following information for each investigation:

Name of entity
Reason or purpose of investigation
Regulator/organization
Date investigation commenced (yyyy/mm/dd)
Jurisdiction

Name of firm:
Name of firm's authorized signing officer or partner
Title of firm's authorized signing officer or partner
Signature
Date (yyyy/mm/dd)

Witness

The witness must be a lawyer, notary public or commissioner of oaths.

Name of witness
Title of witness
Signature
Date (yyyy/mm/dd)

This form is to be submitted through the Ontario Securities Commission's Electronic Filing Portal:

https://www.osc.gov.on.ca/filings

2.2.2 Eda Marie Agueci et al. – s. 144

IN THE MATTER OF
EDA MARIE AGUECI, DENNIS WING, SANTO IACONO,
JOSEPHINE RAPONI, KIMBERLEY STEPHANY, HENRY FIORILLO,
GIUSEPPE (JOSEPH) FIORINI, JOHN SERPA, IAN TELFER,
JACOB GORNITZKI and POLLEN SERVICES LIMITED

AnneMarie Ryan, Chair of the Panel
Deborah Leckman, Commissioner
Mark Sandler, Commissioner

July 19, 2017

ORDER
Section 144 of the *Securities Act*,
RSO 1990, c S.5

WHEREAS on July 19, 2017, the Ontario Securities Commission held a hearing in writing to consider the application made by Henry Fiorillo (**"Fiorillo"**) for a variation of the Order issued by the Commission on June 24, 2015, under sections 127 and 127.1 of the *Securities Act*, RSO 1990, c S.5, as amended on November 30, 2015 and on June 9, 2017 (the **"Sanctions and Costs Order"**);

ON READING the application record (including the Affidavit of Fiorillo sworn March 10, 2017 and the Consent executed on behalf of all parties except for Pollen Services Limited, including Staff of the Commission), the supplemental application record (including the Affidavit of Natasha LaPalme sworn June 22, 2017), the separate written submissions of Fiorillo and Staff of the Commission, and the letters from Fiorillo's counsel dated May 3 and 23, 2017, there being no submissions filed by any other party;

IT IS ORDERED THAT the operative terms of the Sanctions and Costs Order are varied to amend subparagraph 3(d) such that, as amended, it reads:

(d) as a further exception to the 15-year prohibitions in respect of trading and acquisition of securities ordered in subparagraphs 3(a) and 3(b) above, after the amounts ordered in subparagraphs 3(j), 3(k) and 3(l) have been paid in full, Fiorillo shall be permitted to retain the services of one or more independent, arms-length dealer/portfolio manager(s), which includes hedge fund manager(s), who are registered in accordance with Ontario securities law, to manage Fiorillo's securities holdings, provided that:

1. the respective registered dealer/portfolio manager(s), which includes hedge fund manager(s), is provided with a copy of this order prior to trading or acquiring securities on Fiorillo's behalf;

2. the respective registered dealer/portfolio manager(s), which includes hedge fund manager(s), has sole discretion over what trades and acquisitions may be made in the account and Fiorillo has no direction or control over the selection of specific securities;

3. Fiorillo is permitted to have annual discussions with the respective registered dealer/portfolio manager(s), which includes hedge fund manager(s), for the sole purpose of Fiorillo providing information regarding general investment objectives, suitability and risk tolerance or as required under Ontario securities law; and

4. Fiorillo may change registered dealer/portfolio manager(s), which includes hedge fund manager(s), subject to the conditions set out above, with notice to the Commission of any such change to be filed by Fiorillo within 30 days of making such change;

"AnneMarie Ryan"

"Deborah Leckman"

"Mark Sandler"

2.2.3 Colossus Minerals Inc. – s. 144

Headnote

Section 144 of the Securities Act (Ontario) – application by issuer for partial revocation of a cease trade order to permit the issuer to distribute securities to creditors pursuant to a proposal and plan of reorganization under the Business Corporations Act (Ontario) and the Bankruptcy and Insolvency Act (Canada) – partial revocation granted subject to conditions.

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 127, 144.
National Policy 12-202 Revocation of a Compliance-related Cease Trade Order.

July 12, 2017

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

AND

IN THE MATTER OF
COLOSSUS MINERALS INC.

ORDER
(Section 144 of the Act)

WHEREAS the securities of Colossus Minerals Inc. (the **Filer**) are subject to a cease trade order issued by the Director on May 12, 2014 pursuant to subsection 127(1) of the Act (the **Ontario CTO**), directing that all trading in the securities of the Filer cease until further order by the Director;

AND WHEREAS the Filer has applied to the Ontario Securities Commission (the **Commission**) for an order pursuant to section 144 of the Act (the **Application**) to partially revoke the Ontario CTO to enable the Filer to undertake and complete the distribution of its securities to those of its proven creditors resident in or subject to the securities laws of Ontario;

AND WHEREAS the Filer has represented to the Commission that:

1. The Filer is a corporation incorporated under the laws of the Province of Ontario on February 9, 2006.

2. The Filer is not actively carrying on business and has disposed of all of its material assets and properties. The Filer was a development stage mining and exploration company focused on putting into production a gold and platinum group metals project in Brazil.

3. The authorized capital of the Filer consists of an unlimited number of common shares, of which 49,588,134 common shares are issued and outstanding as of the date hereof.

4. The Filer's head office at the time of issue of the Ontario CTO was located at 100 King Street West, Suite 5600, Toronto, Ontario M5X 1C9.

5. The Filer is a reporting issuer in the provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, New Brunswick, Nova Scotia, Prince Edward Island, and Newfoundland and Labrador.

6. The Filer's common shares, unsecured gold-linked notes and common share purchase warrants formerly traded on the Toronto Stock Exchange but were delisted effective as of the close of business on February 21, 2014.

7. On January 14, 2014, the directors of the Filer approved the filing of a notice of intention to make a proposal and plan of reorganization under the *Business Corporations Act* (Ontario) and the *Bankruptcy and Insolvency Act* (Canada) (the "**Proposal**").

8. The Filer's creditors met and accepted the Proposal and confirmed the appointment of a proposal trustee (the **Proposal Trustee**) on February 24, 2014.

9. The Proposal was approved by an order of the Honourable Mr. Justice Wilton-Segal of the Ontario Superior Court of Justice (In Bankruptcy and Insolvency) dated March 13, 2014 (Court File No. CV14-10401-00CL).

10. The implementation of the Proposal involved:

    (a) the consolidation of the Filer's then outstanding common shares on the basis of 200 to 1;

    (b) the cancellation of all existing outstanding securities of the Filer other than the common shares, without payment or return of capital;

    (c) the issue of new common shares and new share purchase warrants to proven creditors; and

    (d) amendments to the Filer's constating documents to reflect the foregoing.

11. Effective March 23, 2014, the Proposal Trustee implemented the Proposal and caused the Filer to distribute to proven creditors as of that date an aggregate of 48,710,398 post-consolidation common shares and post-consolidation share purchase warrants to acquire up to 24,403,000 common shares.

12. Subsequent to March 23, 2014, the Proposal Trustee continued to process claims from the Filer's creditors to ensure those creditors were proven creditors for the purposes of the Proposal, and to determine the entitlement of such proven creditors to common shares and warrants of the Filer.

13. The Ontario CTO has prevented the Proposal Trustee from causing the Filer to distribute common shares and warrants to those persons subsequently established to be proven creditors and entitled to participate under the Proposal.

14. The Ontario CTO was issued due to the failure of the Filer to file its annual information form, audited annual financial statements, related management's discussion and analysis and officer certifications (the **Outstanding Filings**) for the year ended December 31, 2013.

15. Equivalent orders to the Ontario CTO (the **Other Provinces CTOs**) were issued by the securities regulatory authorities in British Columbia (April 29, 2014), Alberta (August 11, 2014) and Manitoba (May 14, 2014). The Filer is not subject to any other cease trade orders.

16. The Filer filed the Outstanding Filings, other than its annual information form, on August 7, 2015, but has made no further continuous disclosure filings under applicable securities legislation.

17. Pursuant to the terms of the Proposal, creditors of Filer the may continue to submit claims to the Proposal Trustee to be entitled to be considered as proven creditors. However no creditor has submitted a claim to the Proposal Trustee since May 1, 2014.

18. As of the date hereof, an aggregate of 3,035,430 common shares and 1,420,111 warrants (the **Remaining Securities**) have not been distributed to 44 proven creditors (the **Remaining Proven Creditors**) who are entitled to receive such securities under the Proposal. There are 28 Remaining Proven Creditors resident in Ontario, entitled to receive 467,262 common shares and 164,136 warrants.

19. The Filer proposes to rely on the prospectus exemption set out in section 2.11(a) of National Instrument 45-106 *Prospectus Exempt Distributions* in respect of the distribution of the Remaining Securities to the Remaining Proven Creditors in the Province of Ontario.

20. The proposed distribution under the Proposal of the Remaining Securities to the Remaining Proven Creditors in Ontario cannot be completed without a partial revocation of the Ontario CTO.

21. Other than the proposed distribution of the Remaining Securities to the Remaining Proven Creditors no further distributions of securities of the Filer will be made in the Province of Ontario unless further relief from the Ontario CTO is sought by the Filer.

22. The Filer has applied for and expects to be granted, concurrently with this partial revocation order, a partial revocation of the cease trade order issued by the British Columbia Securities Commission.

23. It is not necessary that any of the other Other Provinces CTOs be varied to permit the distribution of the Remaining Securities to the Remaining Proven Creditors.

24. The Filer's securities, including the Remaining Securities proposed to be distributed under the Proposal will remain subject to the Ontario CTO and the Other Provinces CTOs until such time as the Ontario CTO and the Other Provinces CTOs are fully revoked.

25. The Filer's SEDAR and SEDI profiles are up to date.

26. Except for the continuous disclosure defaults since the issuance of the Ontario CTO, the Filer is not in default of any requirements of the Ontario CTO or the Act or the rules and regulations made pursuant thereto.

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

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

IT IS ORDERED, pursuant to section 144 of the Act, that the Ontario CTO is partially revoked solely to permit the distribution of the Remaining Securities to the Remaining Proven Creditors of the Filer (including, for greater certainty, acts in furtherance of trades in the Remaining Securities) that are necessary for and are in connection with the completion of the Proposal provided that:

(a) prior to the completion of the distribution of the Remaining Securities, each of the Remaining Proven Creditors:

(i) receives a copy of the Ontario CTO,

(ii) receives a copy of this Order, and

(iii) receives written notice from the Filer, and provides a written acknowledgement to the Filer, that all of the Filer's securities, including the Remaining Securities, will remain subject to the Ontario CTO until it is revoked, and that the granting of this partial revocation Order does not guarantee the issuance of a full revocation in the future;

(b) the Filer undertakes to make available a copy of the written acknowledgement to staff of the Commission on request; and

(c) this Order will terminate on the earlier of:

(i) the completion of the distribution of the Remaining Securities; and

(ii) 90 days from the date hereof.

DATED this 12th day of July, 2017.

"Jo-Anne Matear"
Manager, Corporate Finance
Ontario Securities Commission

2.2.4 Mariana Resources Limited

Headnote

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

Applicable Legislative Provisions

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

JULY 20, 2017

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

AND

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

AND

IN THE MATTER OF
MARIANA RESOURCES LIMITED
(the Filer)

ORDER

Background

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

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

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

(b) the Filer has provided notice that subsection 4C.5(1) of Multilateral Instrument 11-102 *Passport System* (**MI 11-102**) is intended to be relied upon in Alberta, and

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

Interpretation

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

Representations

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

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

2. the outstanding securities of the Filer, including debt securities, are beneficially owned, directly or indirectly, by fewer than 15 securityholders in each of the jurisdictions of Canada and fewer than 51 securityholders in total worldwide;

3. no securities of the Filer, including debt securities, are traded in Canada or another country on a marketplace as defined in National Instrument 21-101 *Marketplace Operation* or any other facility for bringing together buyers and sellers of securities where trading data is publicly reported;

4. the Filer is applying for an order that the Filer has ceased to be a reporting issuer in all of the jurisdictions of Canada in which it is a reporting issuer; and

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

Order

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

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

"John Hinze"
Director, Corporate Finance
British Columbia Securities Commission

2.2.5 National Bank of Canada and The Toronto-Dominion Bank – s. 6.1 of NI 62-104 Take-Over Bids and Issuer Bids

Headnote

Section 6.1 of NI 62-104 – Issuer bid – relief from the requirements applicable to issuer bids in Part 2 of NI 62-104 – issuer proposes to purchase, pursuant to a repurchase program and at a discounted purchase price, up to a specified number of its common shares under its normal course issuer bid from a third party – the third party will abide by the requirements governing normal course issuer bids as though it was the issuer, subject to certain modifications, including that the third party will not make any purchases under the program pursuant to a pre-arranged trade – common shares delivered to the issuer for cancellation will be common shares from the third party's existing inventory – due to the discounted purchase price, the common shares cannot be acquired through the TSX trading system – but for the fact that the common shares cannot be acquired through the TSX trading system, the Issuer could otherwise acquire such shares in accordance with TSX rules and in reliance upon the issuer bid exemption available under section 4.8 of NI 62-104 – the third party will purchase common shares under the program on the same basis as if the issuer had conducted the bid in reliance on the normal course issuer bid exemptions set out in securities legislation – no adverse economic impact on, or prejudice to the issuer or its security holders – acquisition of securities exempt from the requirements applicable to issuer bids in Part 2 of NI 62-104, subject to conditions, including that the number of common shares transferred by the third party from its existing inventory to the issuer for purchase under the program be equivalent to the number of common shares that the third party has purchased, or had purchased on its behalf, on Canadian markets.

Statutes Cited

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

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

AND

IN THE MATTER OF
NATIONAL BANK OF CANADA AND
THE TORONTO-DOMINION BANK

ORDER
(Section 6.1 of National Instrument 62-104)

UPON the application (the "**Application**") of National Bank of Canada (the "**Issuer**") and The Toronto-Dominion Bank ("**TD**", and together with the Issuer, the "**Filers**") to the Ontario Securities Commission (the "**Commission**") for an order pursuant to section 6.1 of National Instrument 62-104 *Take-Over Bids and Issuer Bids* ("**NI 62-104**") exempting the Issuer from the requirements applicable to issuer bids in Part 2 of NI 62-104 (the "**Issuer Bid Requirements**") in respect of the proposed purchases by the Issuer of up to 500,000 (the "**Program Maximum**") of its common shares (the "**Common Shares**") from TD pursuant to a share repurchase program (the "**Program**");

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

AND UPON the Issuer having represented to the Commission the matters set out in paragraphs 1, 2, 3, 4, 10 to 19, inclusive, 21 to 28, inclusive, 32, 34, 36, 37, 38, 40 and 41;

AND UPON TD and TD Securities Inc. ("**TDSI**", and together with TD, the "**TD Entities**") having represented to the Commission the matters set out in paragraphs 5, 6, 7, 8, 9, 19 to 22, inclusive, 27, 29 to 33, inclusive, 35, 39, 41 and 42 as they relate to the TD Entities;

1. The Issuer is a Schedule I bank governed by the *Bank Act* (Canada).

2. The registered and head office of the Issuer is located at 600 de La Gauchetière Street West, 4th Floor, Montréal, Quebec, H3B 4L2.

3. The Issuer is a reporting issuer in each of the provinces and territories of Canada (the "**Jurisdictions**") and the Common Shares are listed for trading on the Toronto Stock Exchange (the "**TSX**") under the symbol "NA". The Issuer is not in default of any requirement of the securities legislation of the Jurisdictions.

4. The authorized common share capital of the Issuer consists of an unlimited number of Common Shares, of which 341,636,027 were issued and outstanding as of June 30, 2017.

5. TD is a Schedule I bank governed by the *Bank Act* (Canada). The head office of TD is located in the Province of Ontario.

6. TDSI is registered as an investment dealer under the securities legislation of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Québec, Nova Scotia, New Brunswick, Newfoundland and Labrador, Prince Edward Island, Yukon, the Northwest Territories and Nunavut. It is also registered as a futures commission merchant under the *Commodity Futures Act* (Ontario), as a derivatives dealer under the *Derivatives Act* (Québec), and as a dealer (futures commission merchant) under *The Commodity Futures Act* (Manitoba). TDSI is a member of the Investment Industry Regulatory Organization of Canada ("**IIROC**") and the Canadian Investor Protection Fund, a participating organization or member of the TSX, TSX Venture Exchange and Canadian Securities Exchange, and an approved participant of the Bourse de Montréal. The head office of TDSI is located in Toronto, Ontario.

7. TD does not own, directly or indirectly, more than 5% of the issued and outstanding Common Shares.

8. TD is the beneficial owner of at least 500,000 Common Shares, none of which were acquired by, or on behalf of, TD in anticipation or contemplation of resale to the Issuer (such Common Shares over which TD has beneficial ownership, the "**Inventory Shares**"). All of the Inventory Shares are held by TD in the Province of Ontario, and all purchases of Inventory Shares by the Issuer from TD will be executed and settled in the Province of Ontario. No Common Shares were purchased by, or on behalf of, TD on or after June 7, 2017, being the date that was 30 days prior to the date of the Application, in anticipation or contemplation of a sale of Common Shares by TD to the Issuer.

9. TD is at arm's length to the Issuer and is not an "insider" of the Issuer, an "associate" of an "insider" of the Issuer, or an "associate" or "affiliate" of the Issuer, as such terms are defined in the *Securities Act* (Ontario) (the "**Act**"). TD is an "accredited investor" within the meaning of National Instrument 45-106 *Prospectus Exemptions*.

10. Pursuant to a Notice of Intention to Make a Normal Course Issuer Bid (the "**Notice**") which was accepted by the TSX effective June 1, 2017, the Issuer is permitted to make a normal course issuer bid (the "**Normal Course Issuer Bid**") to purchase for cancellation, during the 12-month period beginning on June 5, 2017 and ending on June 4, 2018, up to 6,000,000 Common Shares, representing approximately 1.76% of the issued and outstanding Common Shares as of the date specified in the Notice. The Notice specifies that purchases under the Normal Course Issuer Bid will be conducted through the facilities of the TSX or any other exchange or alternative trading system in Canada, or by such other means as may be permitted by the TSX, in accordance with sections 628 to 629.3 of Part VI of the TSX Company Manual (the "**TSX Rules**"), by a securities regulatory authority, or under applicable securities laws and regulations, including under automatic trading plans and by private agreements or share repurchase programs under issuer bid exemption orders issued by securities regulatory authorities.

11. The Normal Course Issuer Bid is being conducted in reliance upon the exemption from the Issuer Bid Requirements set out in subsection 4.8(2) of NI 62-104 (the "**Designated Exchange Exemption**").

12. The Normal Course Issuer Bid is also being conducted in the normal course on other permitted published markets in Canada (the "**Canadian Other Published Markets**") in reliance upon the exemption from the Issuer Bid Requirements set out in subsection 4.8(3) of NI 62-104 (the "**Other Published Markets Exemption**", and together with the Designated Exchange Exemption, the "**Exemptions**").

13. Pursuant to the TSX Rules, the Issuer has appointed National Bank Financial Inc. as its designated broker in respect of the Normal Course Issuer Bid (the "**Responsible Broker**").

14. The Issuer may, from time to time, appoint a non-independent purchasing agent (a "**Plan Trustee**") to purchase Common Shares on the open market to fulfill requirements for the delivery of Common Shares under the Issuer's security-based compensation plans (the "**Plan Trustee Purchases**"). A Plan Trustee has not been appointed by the Issuer, no Plan Trustee will be appointed by the Issuer during the Program Term (as defined below) and no Plan Trustee Purchases will be required or made during the Program Term.

15. The Notice states that the Issuer may implement an automatic repurchase plan (an "**ARP**") to permit the Issuer to make purchases under the Normal Course Issuer Bid at such times when the Issuer would not be permitted to trade in its securities, including regularly scheduled quarterly blackout periods and other internal blackout periods (each such time, a "**Blackout Period**"). No ARP has been implemented at this time and no ARP will be implemented or operative during the Program Term.

16. The maximum number of Common Shares that the Issuer is permitted to repurchase under the Normal Course Issuer Bid will be reduced by the number of Plan Trustee Purchases and the number of Common Shares purchased under an ARP, if any.

17. To the best of the Issuer's knowledge, the "public float" (calculated in accordance with the TSX Rules) for the Common Shares as at June 30, 2017 consisted of 340,950,289 Common Shares. The Common Shares are "highly-liquid securities" as that term is defined in section 1.1 of OSC Rule 48-501 *Trading during Distributions, Formal Bids and Share Exchange Transactions* ("**OSC Rule 48-501**") and section 1.1 of the Universal Market Integrity Rules ("**UMIR**").

18. As at July 14, 2017, the Issuer has not purchased any Common Shares pursuant to the Normal Course Issuer Bid.

19. The Filers wish to participate in the Program during, and as part of, the Normal Course Issuer Bid to enable the Issuer to purchase from TD, and for TD to sell to the Issuer, that number of Common Shares equal to the Program Maximum.

20. Pursuant to the terms of the Program Agreement (as defined below), TDSI has been retained by TD to acquire Common Shares through the facilities of the TSX and on Canadian Other Published Markets (collectively with the TSX, the "**Canadian Markets**") under the Program. No Common Shares will be acquired under the Program on a market that is not a Canadian Market.

21. The Program will be governed by, and conducted in accordance with, the terms and conditions of a Share Repurchase Program Agreement (the "**Program Agreement**") that will be entered into among the Filers and TDSI prior to the commencement of the Program and a copy of which will be delivered by the Filers to the Commission promptly thereafter.

22. The Program will begin on or after July 24, 2017 and will terminate on the earlier of October 31, 2017 and the date on which the Issuer will have purchased the Program Maximum under the Program (the "**Program Term**"). Neither the Issuer nor any of the TD Entities may unilaterally terminate the Program Agreement during the Program Term, except in the case of an event of default by a party thereunder, or a change in law or announced change in law that would have adverse consequences to the transactions under the Program or to the Issuer or either of the TD Entities.

23. At least two clear Trading Days (as defined below) prior to the commencement of the Program, the Issuer will issue and file a press release that has been pre-cleared by the TSX that: (a) describes the material features of the Program, including the Program Term; (b) discloses the Issuer's intention to participate in the Program during the Normal Course Issuer Bid; and (c) states that, immediately following the Program Term, the Issuer will issue and file the Completion Press Release (as defined below) (the "**Commencement Press Release**").

24. The Program Maximum is less than the number of Common Shares remaining that the Issuer is entitled to acquire under the Normal Course Issuer Bid, calculated as at the date of the Program Agreement.

25. The Program Term will not include a Blackout Period. In the event that a Blackout Period should arise during the Program Term, purchasing under the Program will cease immediately and will not recommence until following the expiration of the Blackout Period.

26. The TSX has: (a) been advised of the Issuer's intention to enter into the Program; (b) been provided with a copy of the Program Agreement and a draft of the Commencement Press Release; and (c) confirmed that it has no objection to the Issuer conducting the Program as part of the Normal Course Issuer Bid.

27. During the Program Term, TDSI will purchase Common Shares on the applicable Trading Day (as defined below) in accordance with instructions received by TDSI from the Issuer prior to the opening of trading on such Trading Day, which instructions will be the same instructions that the Issuer would have given to the Responsible Broker if the Issuer was conducting the Normal Course Issuer Bid in reliance on the Exemptions.

28. The Issuer will not give purchase instructions in respect of the Program to TDSI at any time that the Issuer is aware of Undisclosed Information (as defined below).

29. All Common Shares acquired for the purposes of the Program by TDSI on a day during the Program Term on which Canadian Markets are open for trading (each, a "**Trading Day**") must be acquired on Canadian Markets in accordance with the TSX Rules and any by-laws, rules, regulations or policies of any Canadian Markets upon which purchases are carried out (collectively, the "**NCIB Rules**") that would be applicable to the Issuer in connection with the Normal Course Issuer Bid, provided that:

    (a) the aggregate number of Common Shares to be acquired on Canadian Markets by TDSI on each Trading Day shall not exceed the maximum daily limit that is imposed upon the Normal Course Issuer Bid pursuant to the

TSX Rules, determined with reference to an average daily trading volume that is based on the trading volume of the Common Shares on all Canadian Markets rather than being limited to the trading volume on the TSX only (the "**Modified Maximum Daily Limit**"), it being understood that the aggregate number of Common Shares to be acquired on the TSX by TDSI on each Trading Day will not exceed the maximum daily limit that is imposed on the Normal Course Issuer Bid pursuant to the TSX Rules; and

(b) notwithstanding the block purchase exception provided for in the TSX Rules, no purchases will be made by TDSI on any Canadian Markets pursuant to any pre-arranged trade.

30. The aggregate number of Common Shares to be acquired by TDSI in connection with the Program:

(a) shall not exceed the Program Maximum; and

(b) on Canadian Other Published Markets shall not exceed that number of Common Shares remaining eligible for purchase by the Issuer pursuant to the Other Published Markets Exemption, calculated as at the date of the Program Agreement.

31. On every Trading Day, TDSI will purchase the Number of Common Shares. The "**Number of Common Shares**" will be no greater than the least of:

(a) the maximum number of Common Shares that can be purchased using the Canadian dollar amount provided in the instructions received by TDSI from the Issuer prior to the opening of trading on such Trading Day;

(b) the Program Maximum less the aggregate number of Common Shares previously purchased by TDSI under the Program;

(c) on a Trading Day where trading ceases on the TSX or some other event that would impair TDSI's ability to acquire Common Shares on Canadian Markets occurs (a "**Market Disruption Event**"), the number of Common Shares acquired by TDSI on such Trading Day up until the time of the Market Disruption Event; and

(d) the Modified Maximum Daily Limit.

The "**Discounted Price**" per Common Share will be equal to: (i) the volume weighted average price of the Common Shares on the Canadian Markets on the Trading Day on which purchases were made less an agreed upon discount; or (ii) upon the occurrence of a Market Disruption Event, the volume weighted average price of the Common Shares on the Canadian Markets at the time of the Market Disruption Event less an agreed upon discount.

32. TD will deliver to the Issuer that number of Inventory Shares equal to the number of Common Shares purchased by TDSI on a Trading Day under the Program on the second Trading Day thereafter, and the Issuer will pay TD, upon delivery, a purchase price equal to the Discounted Price for each such Inventory Share. Each Inventory Share purchased by the Issuer under the Program will be cancelled upon delivery to the Issuer.

33. TD will not sell any Inventory Shares to the Issuer unless TDSI has purchased the equivalent number of Common Shares on Canadian Markets under the Program. The number of Common Shares that are purchased by TDSI on Canadian Markets under the Program on a Trading Day will be equal to the Number of Common Shares for such Trading Day. TDSI will provide the Issuer with a daily written report of TDSI's purchases, which report will indicate, *inter alia*, the aggregate number of Common Shares acquired under the Program, the Canadian Market on which such Common Shares were acquired, and the Modified Maximum Daily Limit.

34. During the Program Term, the Issuer will: (a) not purchase, directly or indirectly, any Common Shares (other than Inventory Shares purchased under the Program); and (b) prohibit the Responsible Broker from acquiring any Common Shares on its behalf.

35. All purchases of Common Shares under the Program will be made by TDSI and neither of the TD Entities will engage in any hedging activity in connection with the conduct of the Program.

36. The Issuer will report its purchases of Common Shares under the Program to the TSX in accordance with the TSX Rules. In addition, immediately following the end of the Program Term, the Issuer will: (a) report the total number of Common Shares acquired under the Program to the TSX and the Commission; and (b) issue and file a press release that announces the completion of the Program and sets out the number of Common Shares acquired under the Program and the aggregate dollar amount paid for such Common Shares (the "**Completion Press Release**").

37. The Issuer is of the view that: (a) it will be able to purchase Common Shares from TD at a lower price than the price at which it would be able to purchase an equivalent quantity of Common Shares under the Normal Course Issuer Bid in reliance on the Exemptions; and (b) the purchase of Common Shares pursuant to the Program is in the best interests of the Issuer and constitutes a desirable use of the Issuer's funds.

38. The entering into of the Program Agreement, the purchase of Common Shares by TDSI in connection with the Program, and the sale of Inventory Shares by TD to the Issuer will not adversely affect the Issuer or the rights of any of the Issuer's security holders and it will not materially affect control of the Issuer.

39. The sale of Inventory Shares to the Issuer by TD will not be a "distribution" (as defined in the Act).

40. The Issuer will be able to acquire the Inventory Shares from TD without the Issuer being subject to the dealer registration requirements of the Act.

41. At the time that the Issuer and the TD Entities enter into the Program Agreement, neither the Issuer, nor any member of the Equity Derivatives group of TD, nor any personnel of either of the TD Entities that negotiated the Program Agreement or made, participated in the making of, or provided advice in connection with, the decision to enter into the Program Agreement and sell the Common Shares, will be aware of any "material change" or "material fact" (each as defined in the Act) with respect to the Issuer or the Common Shares that has not been generally disclosed (the "**Undisclosed Information**").

42. Each of the TD Entities:

    (a) has policies and procedures in place to ensure that the Program will be conducted in accordance with, among other things, the Program Agreement and this Order, and to preclude those persons responsible for administering the Program from acquiring any Undisclosed Information during the conduct of the Program; and

    (b) will, prior to entering into the Program Agreement: (i) ensure that its systems are capable of adhering to, and performing in accordance with, the requirements of the Program and this Order; and (ii) provide all necessary training and take all necessary actions to ensure that the persons administering and executing the purchases under the Program are aware of, and understand the terms of this Order.

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

IT IS ORDERED pursuant to section 6.1 of NI 62-104 that the Issuer be exempt from the Issuer Bid Requirements in respect of the purchase of Inventory Shares from TD pursuant to the Program, provided that:

(a) at least two clear Trading Days prior to the commencement of the Program, the Issuer issues and files the Commencement Press Release;

(b) all purchases of Common Shares under the Program are made on Canadian Markets by TDSI, and are:

    (i) made in accordance with the NCIB Rules applicable to the Normal Course Issuer Bid, as modified by paragraph 29 of this Order;

    (ii) taken into account by the Issuer when calculating the maximum annual aggregate limits that are imposed upon the Normal Course Issuer Bid in accordance with the TSX Rules, with those Common Shares purchased on Canadian Other Published Markets being taken into account by the Issuer when calculating the maximum aggregate limits that are imposed upon the Issuer in accordance with the Other Published Markets Exemption;

    (iii) marked with such designation as would be required by the applicable marketplace and UMIR for trades made by an agent of the Issuer; and

    (iv) monitored by the TD Entities on a continual basis for the purposes of ensuring compliance with the terms of this Order, NCIB Rules, and applicable securities law;

(c) during the Program Term: (i) the Issuer does not purchase, directly or indirectly, any Common Shares (other than Inventory Shares purchased under the Program); and (ii) no Common Shares are purchased on behalf of the Issuer by the Responsible Broker;

(d) the number of Inventory Shares transferred by TD to the Issuer for purchase under the Program in respect of a particular Trading Day is equal to the number of Common Shares purchased by TDSI on Canadian Markets under the Program in respect of the Trading Day;

(e) no hedging activity is engaged in by the TD Entities in connection with the conduct of the Program;

(f) at the time that the Program Agreement is entered into by the Filers and TDSI:

(i) the Common Shares are "highly-liquid securities", as that term is defined in section 1.1 of OSC Rule 48-501 and section 1.1 of UMIR; and

(ii) none of the Issuer, any member of the Equity Derivatives group of TD, or any personnel of either of the TD Entities that negotiated the Program Agreement or made, participated in the making of, or provided advice in connection with, the decision to enter into the Program Agreement and sell the Common Shares, was aware of any Undisclosed Information;

(g) no purchase instructions in respect of the Program are given by the Issuer to TDSI at any time that the Issuer is aware of Undisclosed Information;

(h) no purchases of Common Shares under the Program occur during a Blackout Period;

(i) the TD Entities maintain records of all purchases of Common Shares that are made by TDSI pursuant to the Program, which will be available to the Commission and IIROC upon request; and

(j) in addition to reporting its purchases of Common Shares under the Program to the TSX in accordance with the TSX Rules, immediately following the end of the Program Term, the Issuer will: (i) report the total number of Common Shares acquired under the Program to the TSX and the Commission; and (ii) issue and file the Completion Press Release.

DATED at Toronto, Ontario, this 19th day of July, 2017.

"Naizam Kanji"
Director, Office of Mergers & Acquisitions
Ontario Securities Commission

2.2.6 Eurex Clearing AG – s. 147

Headnote

Application under section 147 of the Securities Act (Ontario) (Act) for an order exempting Eurex Clearing AG from the requirement in subsection 21.2(0.1) of the Act to be recognized as a clearing agency.

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 21.2(0.1), 147.

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

AND

IN THE MATTER OF
EUREX CLEARING AG

ORDER
(Section 147 of the OSA)

WHEREAS Eurex Clearing AG (**Eurex Clearing**) has filed an application (**Application**) with the Ontario Securities Commission (**Commission**) pursuant to section 147 of the OSA requesting an order exempting Eurex Clearing from the requirement to be recognized as a clearing agency under subsection 21.2(0.1) of the OSA (**Order**);

AND WHEREAS on September 22, 2016, the Commission issued an order that exempted Eurex Clearing on an interim basis (**Interim Order**) from the requirement to be recognized as a clearing agency under subsection 21.2(0.1) of the OSA, until the earlier of (i) April 20, 2017 and (ii) the effective date of a subsequent order exempting Eurex Clearing from the requirement to be recognized as a clearing agency under section 147 of the OSA;

AND WHEREAS on April 10, 2017, the Commission issued an order varying the Interim Order to extend Eurex Clearing's interim exemption from the requirement to be recognized as a clearing agency under subsection 21.2(0.1) of the OSA to July 21, 2017;

AND WHEREAS the Interim Order will be replaced by this Order;

AND WHEREAS Eurex Clearing has represented to the Commission that:

1.1 Eurex Clearing is a stock corporation (*Aktiengesellschaft*) incorporated under German law and is a wholly owned subsidiary of Eurex Frankfurt AG and an indirect wholly owned subsidiary of Deutsche Börse AG, a publicly traded company listed on the Frankfurt Stock Exchange.

1.2 Eurex Clearing qualifies as a central counterparty (**CCP**) pursuant to Regulation (EU) No. 648/2012 of the European Parliament and of the Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories (**EMIR**), which sets out clearing and bilateral risk-management requirements for over-the-counter (**OTC**) derivative contracts, reporting requirements for derivative contracts, and uniform requirements for the performance of activities of CCPs and trade repositories. It was granted authorization as a CCP under EMIR effective from April 10, 2014.

1.3 Eurex Clearing is of the opinion that it fully observes the international standards applicable to financial market infrastructures described in the April 2012 report *Principles for financial market infrastructures* (**PFMI**), having prepared a detailed assessment of its compliance against the PFMI and the associated disclosure framework as of February 2015, which was reviewed and validated by KPMG as an independent outside auditor.

1.4 Eurex Clearing is subject to regulatory supervision by the German Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht*) (**BaFin**) and the German Central Bank.

1.5 Eurex Clearing is required to deliver to the German Central Bank monthly returns showing its liquidity and capital adequacy. The German Central Bank forwards these returns to BaFin, together with its comments. In addition, Eurex Clearing delivers its audited annual report and timely reports on specified types of organizational changes (e.g., new members of its executive board, departure of executive board members, establishment of subsidiaries, and opening of

branches). The German Central Bank reviews Eurex Clearing's annual financial statements and auditors' reports and does an annual risk classification of Eurex Clearing, including an assessment of the adequacy of Eurex Clearing's capital and risk management procedures. The German Central Bank shares its findings with BaFin. In addition, BaFin may order site audits, which are also carried out by members of the German Central Bank.

1.6 Eurex Clearing is a registered derivatives clearing organization (**DCO**) with the U.S. Commodity Futures Trading Commission (**CFTC**), and is thus subject to and complies with the CFTC's DCO "Core Principles". Currently, Eurex Clearing is allowed to clear proprietary interest rate swap (**IRS**) transactions for U.S. Clearing Members, though not customer transactions. Eurex Clearing will be allowed to clear customer IRS transactions when it can demonstrate compliance with the CFTC's straight-through-processing requirement.

1.7 Eurex Clearing functions as the CCP for all transactions concluded on Eurex Deutschland, which is operated by Eurex Frankfurt AG, and Eurex Zürich, which is operated by Eurex Zürich AG. Eurex Clearing also acts as the CCP for Eurex Bonds, Eurex Repo, the Frankfurt Stock Exchange, including its Xetra® order book, and the Irish Stock Exchange. In addition, Eurex Clearing offers clearing services for OTC IRS transactions and inflation swaps as well as for securities lending transactions. Products cleared by Eurex Clearing include derivatives, equities, bonds, swaps, and secured funding and financing.

1.8 A clearing member is a member of Eurex Clearing that holds a clearing license and may be either a General Clearing Member (**GCM**) or a Direct Clearing Member (**DCM** and, together with GCMs, **Clearing Members**). Participation as a GCM or DCM requires the granting of the appropriate license, for which specific requirements must be fulfilled. Companies may apply for one or more Clearing Licenses, including a Eurex Derivatives Clearing License, Eurex Bonds Clearing License, Eurex Repo Clearing License, FWB® Equity Clearing License and EEX Clearing License. A customer of a Clearing Member that is disclosed to Eurex Clearing and enters into a tripartite Clearing Agreement with Eurex Clearing and a Clearing Member qualifies as either a Non-Clearing Member (**NCM**) or a Registered Customer (**RC**). An NCM qualifies as a market participant without holding any clearing licenses. An RC does not qualify as a market participant by virtue of acting in that capacity. A DCM may act as clearer for an NCM or RC only if the DCM and NCM or RC are 100% affiliated. A GCM may act as clearer for any NCM or RC. An NCM may have a relationship with a maximum of three different Clearing Members. Clearing Members may clear their own trades as well as those executed on behalf of their customers and the trades of NCMs with which they have signed a Clearing Agreement.

1.9 Companies may apply for one or more Clearing Licenses for the clearing of:

1.9.1 Transactions concluded at Eurex Deutschland and Eurex Zürich (Chapter II of Eurex Clearing's Clearing Conditions (**Clearing Conditions**));

1.9.2 Transactions concluded at Eurex Bonds GmbH (Chapter III of the Clearing Conditions);

1.9.3 Transactions concluded at Eurex Repo GmbH (Chapter IV of the Clearing Conditions);

1.9.4 Transactions concluded at Frankfurter Wertpapierbörse (Chapter V of the Clearing Conditions);

1.9.5 Transactions concluded at Irish Stock Exchange (Chapter VI of the Clearing Conditions);

1.9.6 Securities Lending Transactions (Chapter IX of the Clearing Conditions);

1.9.7 OTC Interest Rate Derivative Transactions (Chapter VIII of the Clearing Conditions).

1.10 A Basic Clearing Member is an entity other than a Clearing Member that participates in the clearing of certain transactions under the Basic Clearing Member clearing model. Whereas Eurex Clearing's other clearing models require the applicant to qualify as a licensed credit or financial service institution, the Basic Clearing Member clearing model aims at regulated and supervised financial service companies, investment funds, pension funds, insurance companies and reinsurance companies. Currently, Eurex Clearing only onboards such entities if the relevant entity is domiciled in the European Union or Switzerland. Basic Clearing Members are only allowed to enter into proprietary transactions and cannot clear transactions for clients. Further, Basic Clearing Members can only enter into transactions concluded on Eurex Repo and OTC interest rate derivative transactions.

1.11 Eurex Clearing also offers a Specific Lender License to participants in the securities lending market (**Specific Lenders**). The Specific Lender License accepts beneficial owners that lend securities as direct participants without requiring them to post margin or to contribute to its clearing fund. Specific Lenders do not create a risk position for Eurex Clearing because loaned securities are irrevocably delivered by Specific Lenders at the commencement of lending transactions and all collateral delivered for the benefit of Specific Lenders of pledged collateral that remains under the custody of approved tri-party collateral agents.

1.12 Eurex Clearing also offers a Specific Repo License to participants in the repo market. The Specific Repo License accepts clients that are net cash providers as direct participants to Eurex Clearing without requiring them to post margin or contribute to its clearing fund.

1.13 For purposes of reporting value and volume required under paragraphs 8(e)a and 8(e)b of Schedule "A" to this order, Eurex Clearing will use the following asset classes, providing separate figures for futures and options as applicable:

- Equity Index Futures/Options
- Interest Rate Futures/Options
- Equity Futures/Options
- Exchange Traded Fund and Exchange Traded Commodity Futures/Options
- Volatility Index Futures/Options
- Dividend Futures/Options
- Commodity Futures/Options
- Property Futures/Options
- Foreign Exchange Futures/Options

1.14 For purposes of reporting margin required under paragraphs 8(e)c and 8(e)d of Schedule "A" to this order, Eurex Clearing will report on the Liquidation Group level. Eurex Clearing has introduced the concept of Liquidation Groups and calculates risk on this level. Cleared products that share similar risk characteristics are assigned to the same Liquidation Group. This allows for a more comprehensive portfolio risk calculation and also enables cross margining across Liquidation Groups as long as offsets can be realized during the default management process.

Eurex Clearing currently has the following nine Liquidation Groups:

- Listed Equity (Index) Derivatives Liquidation Group
- Listed Fixed Income Liquidation Group
- IRS and Inflation Liquidation Group
- Asian co-operations KOSPI/TAIFEX Liquidation Group
- Commodity (Index) Derivatives Liquidation Group
- Precious Metal Derivatives Liquidation Group
- Property Futures Liquidation Group
- FX Derivatives Liquidation Group
- GMEX IRS Constant Maturity Futures Liquidation Group

1.15 Eurex Clearing anticipates that banks, pension plans, asset managers and insurance companies that have a head office or principal place of business in Ontario may be interested in participating in its offerings listed in paragraph 1.9. Potential bank participants could be interested in becoming GCMs or DCMs. Pension plans, asset managers and insurance firms, among other institutions, could be interested in the Specific Lender License or the Specific Repo License. It is possible there could be further, other unanticipated interest.

1.16 An applicant to become a Clearing Member is required to have sufficient financial resources and operational capacity to meet the obligations arising from participation in Eurex Clearing. The admission requirements are set forth in the Clearing Conditions, which are available on Eurex Clearing's website. Eurex Clearing's participation requirements are non-discriminatory and objective so as to ensure fair and open access. The admission requirements do not limit access on grounds other than risk (e.g., sufficient liable equity capital, compliance with technical requirements, and verification

of the legal validity and enforceability of the Clearing Conditions). To become a GCM or DCM, an applicant must enter into a Clearing Agreement with Eurex Clearing. To become an NCM or RC of a Clearing Member that is disclosed to Eurex Clearing, an applicant must enter into a tripartite Clearing Agreement with Eurex Clearing and its Clearing Member.

1.17 Eurex Clearing's risk model, known as Eurex Clearing Prisma, is used for all exchange-traded derivatives and OTC products. Prisma is based on the view of each member's entire portfolio, accounting for hedging and cross-correlation effects by determining the margin requirement on a portfolio level rather than a product-by-product view. The elements of the model are selected to ensure the ability to withstand new shocks and changes to the financial markets and to flexibly adapt to changes in the risk environment. Eurex Clearing Prisma integrates both a backward looking and a forward looking margin component. The backward looking component encompasses price alignment interest, variation margin and premium margin. The forward looking component encompasses liquidity risk, market risk based on filtered historical simulation, market risk based on stress scenarios, and model error add-on. A separate Risk Based Margining Method is used for equities, bonds, repos and securities lending; however, these products will be migrated to Prisma at some point in the future.

1.18 Eurex Clearing's clearing fund serves as a safeguard for the viability of the clearing system against Clearing Member defaults. Each Clearing Member has to contribute to the clearing fund. It consists of Clearing Members' direct deposited cash and securities. It is used for securing the counterparty risk in case of a default of a Clearing Member in case the provided margin deposits are not sufficient to cover all losses of Eurex Clearing. The clearing fund is separated into clearing fund segments (**CFSs**), whereby each liquidation group is assigned to a particular CFS. The size of each CFS depends on the exposure of the Clearing Members active in the liquidation group relative to the overall exposure of all Clearing Members.

1.19 Pursuant to the Interim Order, the Commission exempted Eurex Clearing from the requirement to be recognized as a clearing agency under section 21.2 of the Act in order that a bank listed in Schedule I of the *Bank Act* (Canada) (**Schedule I Bank**) could enter into an agreement for an Individual Segregated Account.

1.20 Eurex Clearing would provide its services to participants in Ontario without establishing an office or having a physical presence in Ontario or elsewhere in Canada.

1.21 Eurex Clearing submits that it does not pose a significant risk to the Ontario capital markets and is subject to an appropriate regulatory and oversight regime in a foreign jurisdiction.

AND WHEREAS Eurex Clearing has agreed to the respective terms and conditions as set out in Schedule "A" to this order;

AND WHEREAS based on the Application and the representations that Eurex Clearing has made to the Commission, the Commission has determined that granting an order to exempt Eurex Clearing from the requirement to be recognized as a clearing agency would not be prejudicial to the public interest;

AND WHEREAS Eurex Clearing has acknowledged to the Commission that the scope of and the terms and conditions imposed by the Commission attached hereto as Schedule "A" to this order, or the determination whether it is appropriate that Eurex Clearing continue to be exempted from the requirement to be recognized as a clearing agency, may change as a result of the Commission's monitoring of developments in international and domestic capital markets or Eurex Clearing's activities, or as a result of any changes to the laws in Ontario affecting trading in derivatives or securities;

IT IS HEREBY ORDERED by the Commission that, pursuant to section 147 of the OSA, Eurex Clearing is exempt from the requirement to be recognized as a clearing agency under subsection 21.2(0.1) of the OSA;

PROVIDED THAT Eurex Clearing complies with the terms and conditions attached hereto as Schedule "A"

DATED this 14th day of July, 2017.

"Mark Sandler"

"Frances Kordyback"

SCHEDULE "A"

Terms and Conditions

Definitions:

For the purposes of this Schedule "A":

"client clearing" means the ability of a Clearing Member to clear transactions on Eurex Clearing for and on behalf of a client.

Unless the context requires otherwise, other terms used in this Schedule "A" shall have the meanings ascribed to them in Ontario securities law (including terms defined elsewhere in this order).

COMPLIANCE WITH ONTARIO LAW

1. Eurex Clearing will comply with Ontario securities law (as defined in the OSA) and, where applicable, Ontario commodity futures law (as defined in the *Commodity Futures Act* (Ontario)).

SCOPE OF PERMITTED CLEARING SERVICES IN ONTARIO

2. Eurex Clearing's activities in Ontario will be limited to the clearing of transactions described in subsections 1.9.1 to 1.9.6 of Eurex Clearing's representations set out above in this order (**Permitted Clearing Services**); and, for greater certainty, Eurex Clearing will not be permitted to provide clearing services in Ontario with respect to transactions described in subsection 1.9.7 above or any other derivatives under OSC Rule 91-506 *Derivatives: Product Determination* cleared by Eurex Clearing.

REGULATION OF EUREX CLEARING

3. Eurex Clearing will maintain its status as a CCP under EMIR and will continue to be subject to the regulatory oversight of BaFin or any successor, and, so long as Eurex Clearing remains a registered DCO with the CFTC or any successor, to the regulatory oversight of the CFTC or successor.

4. Eurex Clearing will continue to comply with its ongoing regulatory requirements as a CCP under EMIR, with the ongoing regulatory requirements of BaFin and, so long as Eurex Clearing remains a registered DCO with the CFTC, with the ongoing regulatory requirements of the CFTC.

GOVERNANCE

5. Eurex Clearing will promote within Eurex Clearing a governance structure that minimizes the potential for any conflict of interest between Eurex Clearing and its shareholders that could adversely affect the Permitted Clearing Services or the effectiveness of Eurex Clearing's risk management policies, controls and standards.

FILING REQUIREMENTS

Filings with BaFin

6. Eurex Clearing will provide staff of the Commission the following information, to the extent that is required to provide to or file such information with BaFin or its successor:

   (a) details of any material legal proceeding instituted against Eurex Clearing;

   (b) notification that Eurex Clearing has failed to comply with an undisputed obligation to pay money or deliver property to a Clearing Member for a period of thirty days after receiving notice from the Clearing Member of Eurex Clearing's past due obligation;

   (c) notification that Eurex Clearing has instituted a petition for a judgment of bankruptcy or insolvency or similar relief, or to wind up or liquidate Eurex Clearing or has a proceeding for any such petition instituted against it;

   (d) notification that Eurex Clearing has initiated its recovery plan;

   (e) the appointment of a receiver or the making of any voluntary arrangement with creditors;

(f) the entering of Eurex Clearing into any resolution regime or the placing of Eurex Clearing into resolution by a resolution authority; and

(g) material changes to its bylaws and rules where such changes would impact the Permitted Clearing Services used by Ontario residents (whether as a Clearing Member or otherwise).

Prompt Notice

7. Eurex Clearing will promptly notify staff of the Commission of any of the following:

(a) any material change or proposed material change in Eurex Clearing's status as a CCP under EMIR or in its regulatory oversight by BaFin or any successor or in its regulatory oversight by the CFTC or any successor;

(b) any material problems with the clearing and settlement of transactions that could materially affect the safety and soundness of Eurex Clearing;

(c) the admission of any new Clearing Member having a head office or principal place of business in Ontario (**Ontario Clearing Member**);

(d) the participation in Permitted Clearing Services by any new NCM, RC or Basic Clearing Member having a head office or principal place of business in Ontario (**Ontario Non-Clearing Member**);

(e) the granting of any new Specific Lender License or Specific Repo License to any participant having a head office or principal place of business in Ontario (**Ontario Lender/Repo Participant**, and, together with Ontario Clearing Members and Ontario Non-Clearing Members, collectively called "**Ontario Participants**" or individually "**Ontario Participant**")

(f) any event of default by, or removal from Permitted Clearing Services of, an Ontario Participant; and

(g) any material system failure of a Permitted Clearing Service utilized by an Ontario Participant including cybersecurity breaches.

Quarterly Reporting

8. Eurex Clearing will maintain and submit the following information to the Commission in a manner and form acceptable to the Commission on a quarterly basis within 30 days of the end of each calendar quarter, and at any time promptly upon the request of staff of the Commission:

(a) current lists of all Ontario Clearing Members, Ontario Non-Clearing Members and Ontario Lender/Repo Participants and the legal entity identifier (**LEI**), if any, of each such Ontario Participant;

(b) a list of all Ontario Participants against whom disciplinary or legal action has been taken in the quarter by Eurex Clearing with respect to activities at Eurex Clearing, or to the best of Eurex Clearing's knowledge, by BaFin or any other authority in Europe or the United States that has or may have jurisdiction with respect to the relevant Ontario Participant's clearing activities at Eurex Clearing, provided that the Commission will maintain the confidentiality of the identity of any such Ontario Participant, unless (i) required by a court of competent jurisdiction, law, regulation or memorandum of understanding with a regulatory authority to release such identity, (ii) disclosure is permitted or consistent with the purposes of the OSA, or (iii) such identity is publicly available;

(c) a list of all investigations by Eurex Clearing in the quarter relating to Ontario Participants, provided that the Commission will maintain the confidentiality of the identity of any such Ontario Participant, unless (i) required by a court of competent jurisdiction, law, regulation or memorandum of understanding with a regulatory authority to release such identity, (ii) disclosure is permitted or consistent with the purposes of the OSA, or (iii) such identity is publicly available;

(d) a list of all Ontario-resident applicants who have been denied Clearing Member, NCM, RC, Basic Clearing Member, Specific Lender or Specific Repo fund provider status in the quarter by Eurex Clearing, provided that the Commission will maintain the confidentiality of the identity of such applicant, unless (i) required by a court of competent jurisdiction, law, regulation or memorandum of understanding with a regulatory authority to release such identity, (ii) disclosure is permitted or consistent with the purposes of the OSA, or (iii) such identity is publicly available;

(e) quantitative information in respect of the Permitted Clearing Services used by Ontario Participants for transactions in the asset classes listed in paragraph 1.13, including in particular the following:

a. as at the end of the quarter, level, maximum and average daily open interest, number of transactions and notional value of transactions cleared during the quarter for each Ontario Participant;

b. the percentage of end of quarter level and average daily open interest, number of transactions and the notional value cleared during the quarter for all Clearing Members that represents the end of quarter and average daily open interest, number of transactions and the notional value of transactions cleared during the quarter for each Ontario Participant;

c. the aggregate initial margin amount required by Eurex Clearing ending on the last trading day during the quarter for each Ontario Participant;

d. the portion of the initial margin required by Eurex Clearing ending on the last trading day of the quarter for all Clearing Members that represents the initial margin required during the quarter for each Ontario Participant; and

e. the aggregate total margin amount required by Eurex Clearing ending on the last trading day during the quarter for each Ontario Participant;

(f) quantitative information in respect of the Permitted Clearing Services used by Ontario Participants for transactions in cash, securities lending and repo, including in particular the following:

a. as at the end of the quarter, the notional value of cash, securities lending and repo transactions for each Ontario Participant;

b. where applicable, the aggregate initial margin amount required by Eurex Clearing ending on the last trading day during the quarter for each Ontario Participant; and

c. where applicable, the portion of the initial margin required by Eurex Clearing ending on the last trading day of the quarter for all Clearing Members that represents the total margin required during the quarter for each Ontario Participant;

(g) the guaranty fund contribution, for each Ontario Clearing Member on the last trading day during the quarter, and its proportion to the total guaranty fund contributions;

(h) if known to Eurex Clearing, for each Clearing Member (identified by its LEI) offering client clearing to an Ontario resident (other than a NCM or RC) that seeks to use the Permitted Clearing Services through such Clearing Member, the identity of the Ontario resident client (including LEI, if any) receiving such services, and the value and volume cleared by asset class or transaction type during the quarter for and on behalf of each Ontario resident client; and

(i) a copy of all circulars published during the quarter that describe and show changes to the Clearing Conditions made during the quarter.

INFORMATION SHARING

9. Eurex Clearing will promptly provide such information as may be requested from time to time by, and otherwise cooperate with, the Commission or its staff, subject to any applicable privacy or other laws that would prevent the sharing of such information and subject to the application of solicitor-client privilege.

10. Unless otherwise prohibited under applicable law, Eurex Clearing will share information relating to regulatory and enforcement matters and otherwise cooperate with other recognized and exempt clearing agencies on such matters, as appropriate.

2.3 Orders with Related Settlement Agreements

2.3.1 Gregory Deacon – ss. 127, 127.1

IN THE MATTER OF
GREGORY DEACON

Timothy Moseley, Chair of the Panel
Frances Kordyback, Commissioner
Mark Sandler, Commissioner

July 25, 2017

ORDER
(Sections 127 and 127.1 of the Securities Act)

THIS APPLICATION, made jointly by Staff of the Commission and Gregory Deacon for approval of a settlement agreement dated July 7, 2017 (the **Settlement Agreement**), was heard on July 25, 2017 at the offices of the Commission, located at 20 Queen Street West, 17th Floor, Toronto, Ontario;

ON READING the Statement of Allegations dated July 13, 2017, the Joint Application Record for a Settlement Hearing dated July 13, 2017, including the Settlement Agreement, and on hearing the submissions of Staff and Deacon;

IT IS ORDERED THAT:

1. pursuant to subsection 127(1) of the *Securities Act*, RSO 1990, c S.5 (the **Act**), the Settlement Agreement is approved;

2. pursuant to paragraph 2 of subsection 127(1) of the Act, trading in any securities or derivatives by Deacon cease for a period of 10 years commencing on the date of this Order;

3. pursuant to paragraph 2.1 of subsection 127(1) of the Act, the acquisition of any securities by Deacon is prohibited for a period of 10 years commencing on the date of this Order;

4. pursuant to paragraph 3 of subsection 127(1) of the Act, any exemptions contained in Ontario securities law do not apply to Deacon for a period of 10 years commencing on the date of this Order;

5. pursuant to paragraph 6 of subsection 127(1) of the Act, Deacon is reprimanded;

6. pursuant to paragraphs 7, 8.1 and 8.3 of subsection 127(1) of the Act, Deacon immediately resign any position that Deacon holds as a director or officer of an issuer, registrant or investment fund manager;

7. pursuant to paragraphs 8, 8.2 and 8.4 of subsection 127(1) of the Act, Deacon is prohibited from becoming or acting as a director or officer of any issuer, registrant or investment fund manager for a period of 10 years commencing on the date of this Order;

8. pursuant to paragraph 8.5 of subsection 127(1) of the Act, Deacon is prohibited from becoming or acting as a registrant, investment fund manager or promoter for a period of 10 years commencing on the date of this Order;

9. pursuant to paragraph 9 of subsection 127(1) of the Act, Deacon pay an administrative penalty in the amount of $25,000, which amount shall be designated for allocation or use by the Commission in accordance with subsection 3.4(2)(b) of the Act; and

10. pursuant to section 127.1 of the Act, Deacon pay costs in the amount of $10,000.

“Timothy Moseley”

“Frances Kordyback”

“Mark Sandler”

IN THE MATTER OF
GREGORY DEACON

SETTLEMENT AGREEMENT

PART I – INTRODUCTION

1. This matter concerns a licensed insurance agent who sold securities to his clients without the registration, product knowledge, suitability analyses or prospectus disclosure required by Ontario securities law.

2. The Ontario Securities Commission (the "Commission") will issue a Notice of Hearing (the "Notice of Hearing") to announce that it will hold a hearing to consider whether, pursuant to sections 127 and 127.1 of the *Securities Act*, R.S.O. 1990, c. S-5, as amended (the "Act"), it is in the public interest for the Commission to make certain orders against the insurance agent, Gregory Deacon (the "Respondent"), in respect of the conduct described herein.

PART II – JOINT SETTLEMENT RECOMMENDATION

3. Staff of the Commission ("Staff") recommend settlement of the proceeding (the "Proceeding") against the Respondent commenced by the Notice of Hearing, in accordance with the terms and conditions set out in Part VI of this Settlement Agreement. The Respondent consents to the making of an order (the "Order") in the form attached as Schedule "A" to this Settlement Agreement based on the facts set out below.

4. For the purposes of the Proceeding, and any other regulatory proceeding commenced by a securities regulatory authority, the Respondent agrees with the facts set out in Part III of this Settlement Agreement and the conclusion in Part IV of this Settlement Agreement.

PART III – AGREED FACTS

A. BACKGROUND AND CONDUCT

5. The Respondent is a 61-year-old resident of Ontario who has worked in the insurance industry for approximately 40 years. He is licensed with the Financial Services Commission of Ontario ("FSCO") as a Life Insurance and Accident & Sickness Insurance Agent, but has never been registered with the Commission in any capacity.

6. Between June and December 2014 (the "Material Time"), the Respondent sold to 20 individuals, most of whom were his insurance clients, convertible debentures in the aggregate principal amount of $2,720,000. The convertible debentures were issued by Biosenta Inc. ("Biosenta"), an Ontario corporation in the business of developing, producing and selling mold-elimination products. The convertible debentures provided for a two-year term, a 6% annual interest rate and that, upon conversion, a holder would receive common shares of Biosenta ("Shares"), which are listed on the Canadian Stock Exchange.

7. The Respondent's sales activities included:

   (a) soliciting investors, including meeting with them in their homes to discuss the merits of Biosenta, its products and the convertible debentures and providing them with product samples;

   (b) taking orders for the convertible debentures and communicating them to Biosenta;

   (c) collecting subscription proceeds; and

   (d) delivering to investors executed convertible debentures.

8. In exchange, Biosenta or an authorized representative paid the Respondent $153,000 in commissions.

9. The Respondent's activities in relation to the convertible debentures constitute the business of trading in securities without an exemption from the registration requirement. Although the Respondent was aware that a license from FSCO is required to sell insurance, he never registered or sought to register with the Commission to sell securities, in breach of the registration requirement of the Act.

10. The Respondent did not comply with the know-your-product and suitability obligations applicable to him as a registrant, being a person required to be registered under the Act. He lacked the education, training and experience that a reasonable person would consider necessary to engage in the business of trading in securities competently. His understanding of the convertible debentures, including their key features and risks, was limited. The Respondent did not evaluate investors' needs in the manner required of registrants and did not ensure that purchases of the convertible debentures were suitable for them.

11. The Respondent's sales of the convertible debentures were in breach of the prospectus requirement of Ontario securities law. As trades in securities that had not been previously issued, the sales were distributions. No preliminary prospectus or prospectus was filed with the Commission in respect of the convertible debentures and no prospectus receipts were issued to qualify their sale.

12. The Respondent did not determine whether any exemptions from the prospectus requirement applied to the distributions. He did not obtain any documents from investors to demonstrate that any exemptions were available. None applied to five of the distributions.

13. Eighteen of the convertible debentures stated on their face that they were issued to the Respondent's insurance company "in trust" for the applicable investor; however, neither the Respondent nor his company acted as trustee for any of these holders. During the Material Time, the Respondent understood that the purpose of the "in trust" language was to reduce the paperwork regarding investors' financial situations that would otherwise be required. The Respondent advised certain investors that grouping their investments in this manner allowed them to invest in Biosenta when they otherwise would not have been able to do so. The Respondent also improperly directed the flow of certain investor funds through accounts controlled by him and not by Biosenta representatives.

14. None of the convertible debentures sold by the Respondent is outstanding. In 2016, Biosenta completed a court-supervised restructuring, in connection with which investors in convertible debentures could choose to receive cash or Shares in partial satisfaction of their claims. In connection with the restructuring, all of the investors to whom the Respondent sold convertible debentures received Shares.

B. MITIGATING FACTORS

15. The Respondent represents and warrants to Staff and the Commission that:

(a) the Respondent has repaid the commissions by transferring to Biosenta $153,000 (the "Repayment Amount"); and

(b) neither the Respondent nor any person controlled by the Respondent will seek or accept any assets from Biosenta, directly or indirectly, in respect of the Repayment Amount.

16. To Staff's knowledge, the representations and warranties set forth in paragraph 15 are not untrue.

17. The Respondent cooperated with Staff's investigation.

PART IV – NON-COMPLIANCE WITH ONTARIO SECURITIES LAW AND CONDUCT CONTRARY TO THE PUBLIC INTEREST

18. The Respondent acknowledges and admits that, during the Material Time:

(a) the Respondent engaged or held himself out as engaging in the business of trading in securities without being registered to do so and where no exemption from the registration requirement was available, contrary to subsection 25(1) of the Act;

(b) the Respondent performed an activity which requires registration without having the education, training and experience that a reasonable person would consider necessary to perform the activity competently, and in particular did not have the requisite understanding of the convertible debentures, contrary to subsection 3.4(1) of National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations* ("NI 31-103");

(c) the Respondent did not take reasonable steps to ensure that purchases of the convertible debentures were suitable for investors, contrary to subsection 13.3(1) of NI 31-103;

(d) the Respondent distributed securities when neither a preliminary prospectus nor a prospectus in respect of the securities had been filed nor receipts issued for them and where no exemption from the prospectus requirement was available, contrary to subsection 53(1) of the Act; and

(e) as set out in sub-paragraphs (a) through (d) above, the Respondent engaged in conduct contrary to the public interest.

PART V – RESPONDENT'S POSITION

19. The Respondent intends to request that the panel at the Settlement Hearing (as defined below) consider the following mitigating circumstance: the Respondent represents that in addition to repaying the commissions, the Respondent has provided ongoing financial support to Biosenta, including providing office space and paying Biosenta's rent, utilities, taxes and employee benefits.

PART VI – TERMS OF SETTLEMENT

20. The Respondent agrees to the terms of settlement set forth below.

21. The Respondent consents to the Order, pursuant to which it is ordered that:

(a) this Settlement Agreement be approved;

(b) trading in any securities or derivatives by the Respondent cease for a period of 10 years commencing on the date of the Order, pursuant to paragraph 2 of subsection 127(1) of the Act;

(c) the acquisition of any securities by the Respondent be prohibited for a period of 10 years commencing on the date of the Order, pursuant to paragraph 2.1 of subsection 127(1) of the Act;

(d) any exemptions contained in Ontario securities law not apply to the Respondent for a period of 10 years commencing on the date of the Order, pursuant to paragraph 3 of subsection 127(1) of the Act;

(e) the Respondent be reprimanded, pursuant to paragraph 6 of subsection 127(1) of the Act;

(f) the Respondent immediately resign any position that the Respondent holds as a director or officer of an issuer, registrant or investment fund manager, pursuant to paragraphs 7, 8.1 and 8.3 of subsection 127(1) of the Act;

(g) the Respondent be prohibited from becoming or acting as a director or officer of any issuer, registrant or investment fund manager for a period of 10 years commencing on the date of the Order, pursuant to paragraphs 8, 8.2 and 8.4 of subsection 127(1) of the Act;

(h) the Respondent be prohibited from becoming or acting as a registrant, investment fund manager or promoter for a period of 10 years commencing on the date of the Order, pursuant to paragraph 8.5 of subsection 127(1) of the Act;

(i) the Respondent pay an administrative penalty in the amount of $25,000 pursuant to paragraph 9 of subsection 127(1) of the Act, which amount shall be designated for allocation or use by the Commission in accordance with subsection 3.4(2)(b) of the Act;

(j) the Respondent pay costs in the amount of $10,000, pursuant to section 127.1 of the Act; and

(k) the amounts set out in sub-paragraphs (i) and (j) be paid by certified cheque prior to the issuance of the Order.

22. The Respondent consents to a regulatory order made by any provincial or territorial securities regulatory authority in Canada containing any or all of the sanctions set out in paragraph 21, other than sub-paragraphs 21(a), 21(e) and 21(i) through 21(k). These sanctions may be modified to reflect the provisions of the relevant provincial or territorial securities law.

23. The Respondent acknowledges that this Settlement Agreement and the Order may form the basis for orders of parallel effect in other jurisdictions in Canada. The securities laws of certain Canadian jurisdictions allow orders made in this matter to take effect in them automatically, without further notice to the Respondent. The Respondent should contact the securities regulator of any other jurisdiction in which the Respondent intends to engage in any securities- or derivatives-related activities, prior to undertaking such activities.

PART VII – FURTHER PROCEEDINGS

24. If the Commission approves this Settlement Agreement, Staff will not commence or continue any proceeding against the Respondent under Ontario securities law based on the misconduct described in Part III.A of this Settlement Agreement, unless the Respondent breaches this Settlement Agreement (including by: (a) making any representation in it that is misleading or untrue or does not state a fact that is required to be stated or that is necessary to make the representation not misleading; or

(b) failing to comply with any term in it), in which case Staff may bring proceedings under Ontario securities law against the Respondent that may be based on, among other things, the facts set out in Part III.A of this Settlement Agreement or the breach of this Settlement Agreement.

25. The Respondent waives any defences to a proceeding referenced in paragraph 24 that are based on the limitation period in the Act, provided that no such proceeding shall be commenced later than six years from the date of the occurrence of the last failure to comply with this Settlement Agreement.

PART VIII – PROCEDURE FOR APPROVAL OF SETTLEMENT

26. The parties will seek approval of this Settlement Agreement at a public hearing (the "Settlement Hearing") before the Commission, which shall be held on a date determined by the Secretary to the Commission in accordance with this Settlement Agreement and the Commission's *Rules of Procedure* (2014), 37 O.S.C.B. 4168.

27. The Respondent will attend the Settlement Hearing in person.

28. The parties confirm that this Settlement Agreement sets forth all of the agreed facts that will be submitted at the Settlement Hearing, unless the parties agree that additional facts should be submitted at the Settlement Hearing.

29. If the Commission approves this Settlement Agreement:

(a) the Respondent irrevocably waives all rights to a full hearing, judicial review or appeal of this matter under the Act; and

(b) neither party will make any public statement that is inconsistent with this Settlement Agreement or with any additional agreed facts submitted at the Settlement Hearing.

30. Whether or not the Commission approves this Settlement Agreement, the Respondent will not use, in any proceeding, this Settlement Agreement or the negotiation or process of approval of this Settlement Agreement as the basis for any attack on the Commission's jurisdiction, alleged bias, alleged unfairness or any other remedies or challenges that may be available.

PART IX – DISCLOSURE OF SETTLEMENT AGREEMENT

31. If the Commission does not make the Order:

(a) this Settlement Agreement and all discussions and negotiations between Staff and the Respondent before the Settlement Hearing will be without prejudice to Staff and the Respondent; and

(b) Staff and the Respondent will each be entitled to all available proceedings, remedies and challenges, including proceeding to a hearing on the merits of the allegations contained in the Statement of Allegations in respect of the Proceeding. Any such proceedings, remedies and challenges will not be affected by this Settlement Agreement, or by any discussions or negotiations relating to this Settlement Agreement.

32. The parties will keep the terms of this Settlement Agreement confidential until the Settlement Hearing, unless they agree in writing not to do so or unless otherwise required by law.

PART X – EXECUTION OF SETTLEMENT AGREEMENT

33. This Settlement Agreement may be signed in one or more counterparts which together constitute a binding agreement.

34. A facsimile copy or other electronic copy of any signature will be as effective as an original signature.

[*The remainder of this page is intentionally left blank*.]

DATED at Toronto, Ontario as of the 7th day of July, 2017.

"Tegan Salonia"
Witness: Tegan Salonia

"Gregory Deacon"
GREGORY DEACON

DATED at Toronto, Ontario, as of the 7th day of July, 2017.

ONTARIO SECURITIES COMMISSION

By: *"Jeff Kehoe"*
Name: Jeff Kehoe
Title: Director, Enforcement Branch

SCHEDULE "A"

FORM OF ORDER

IN THE MATTER OF
GREGORY DEACON

●, Chair of the Panel
●, Commissioner
●, Commissioner

[date]

ORDER
(Sections 127 and 127.1 of the Securities Act, R.S.O. 1990, c. S.5)

THIS APPLICATION, made jointly by Staff of the Commission and Gregory Deacon (the "Respondent") for approval of a settlement agreement dated as of [**date**] (the "Settlement Agreement"), was heard on [**date**] at the offices of the Commission, located at 20 Queen Street West, 17th Floor, Toronto, Ontario;

ON READING the Statement of Allegations dated [**date**], the Joint Application Record for a Settlement Hearing dated [date], including the Settlement Agreement, and on hearing the submissions of the representatives of the Respondent and Staff;

IT IS ORDERED THAT:

1. the Settlement Agreement be approved;

2. trading in any securities or derivatives by the Respondent cease for a period of 10 years commencing on the date of this Order, pursuant to paragraph 2 of subsection 127(1) of the Act;

3. the acquisition of any securities by the Respondent be prohibited for a period of 10 years commencing on the date of this Order, pursuant to paragraph 2.1 of subsection 127(1) of the Act;

4. any exemptions contained in Ontario securities law not apply to the Respondent for a period of 10 years commencing on the date of this Order, pursuant to paragraph 3 of subsection 127(1) of the Act;

5. the Respondent be reprimanded, pursuant to paragraph 6 of subsection 127(1) of the Act;

6. the Respondent immediately resign any position that the Respondent holds as a director or officer of an issuer, registrant or investment fund manager, pursuant to paragraphs 7, 8.1 and 8.3 of subsection 127(1) of the Act;

7. the Respondent be prohibited from becoming or acting as a director or officer of any issuer, registrant or investment fund manager for a period of 10 years commencing on the date of this Order, pursuant to paragraphs 8, 8.2 and 8.4 of subsection 127(1) of the Act;

8. the Respondent be prohibited from becoming or acting as a registrant, investment fund manager or promoter for a period of 10 years commencing on the date of this Order, pursuant to paragraph 8.5 of subsection 127(1) of the Act;

9. the Respondent pay an administrative penalty in the amount of $25,000 pursuant to paragraph 9 of subsection 127(1) of the Act, which amount shall be designated for allocation or use by the Commission in accordance with subsection 3.4(2)(b) of the Act; and

10. the Respondent pay costs in the amount of $10,000, pursuant to section 127.1 of the Act.

_____

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_____

Chapter 3

Reasons: Decisions, Orders and Rulings

3.1 OSC Decisions

3.1.1 Nixon Lau et al. – ss. 127, 127.1

IN THE MATTER OF
NIXON LAU, INCOME STRATEGIX HOLDINGS LTD.,
INCOME STRATEGIX L.P., INCOME STRATEGIX A-CLASS L.P.
and INCOME STRATEGIX I-CLASS L.P.

REASONS AND DECISION FOR APPROVAL OF A SETTLEMENT
(Sections 127 and 127.1 of the Securities Act, RSO 1990, c S.5)

Citation: *Nixon Lau (Re)*, 2017 ONSEC 28
Date: 2017-06-26

Hearing:	June 26, 2017		
Decision:	June 26, 2017		
Panel:	Janet Leiper	–	Chair of the Panel
	William J. Furlong	–	Commissioner
Appearances:	Gavin Smyth	–	For Staff of the Commission
	Janice Wright	–	For the Respondents

REASONS AND DECISION

The following reasons have been prepared for publication in the Ontario Securities Commission Bulletin, based on the reasons delivered orally in the hearing as edited and approved by the panel, to provide a public record.

[1] This was a hearing under section 127 of the *Securities Act*, RSO 1990 c S.5 (the **Act**), before the Ontario Securities Commission (the **Commission**) to consider whether it was in the public interest to approve a settlement agreement dated June 13, 2017, between the Enforcement Branch of the Commission and Nixon Lau, Income Strategix Holdings Ltd., Income Strategix L.P., Income Strategix A-Class L.P. and Income Strategix I-Class L.P., and to approve the terms set out in the settlement agreement.

[2] This matter concerns a company incorporated in Ontario known as Income Strategix Holdings Ltd. (**Income Strategix**). Income Strategix is the general partner of the Income Strategix funds which are all Ontario limited partnerships. These funds were conceived of and set up by the respondent, Mr. Lau. Mr. Lau is a resident of Mississauga, Ontario, and at all times relevant to the proceedings before the Commission he was the directing mind of each of the Income Strategix funds, the sole officer and director for each of the entities, the sole signing authority on the bank accounts for Income Strategix. He was also the individual responsible for all trading decisions, execution of trades and wire transfers in and out of the Income Strategix funds' and company's bank accounts.

[3] At all times relevant to this proceeding, none of the respondents were registered in any capacity with the Commission. Prior to the relevant period, Mr. Lau was registered as a mutual fund salesperson, between June 30th, 2004, and March 27th, 2006.

[4] Mr. Lau and Income Strategix marketed the Income Strategix funds to the public through a number of seminars held in the Greater Toronto Area, through one-on-one or small-group meetings and through a Web page that was available to and accessed by the public.

[5] Investors were told by Mr. Lau and Income Strategix and in a limited partnership agreement entitled "The Club Charter", which was provided to investors by Mr. Lau, that investors could redeem their investment at the net asset value per unit, provided the investment was left in place for a minimum of four months. Mr. Lau and Income Strategix also told investors that their principal investment was guaranteed.

[6] In exchange for their investment in the Income Strategix funds, Mr. Lau and Income Strategix caused the Income Strategix funds to issue promissory notes to investors at the time of their investment. Mr. Lau signed all of the promissory notes. The promissory notes are securities as defined in the Act. The investors' funds were pooled in Income Strategix funds and the Income Strategix funds had full discretion to buy and sell investments made by the Income Strategix funds.

[7] Between July 2007 and September 2012, over 70 individuals or family investors invested in the Income Strategix funds. Collectively, these investors invested approximately $5.4 million in the Income Strategix funds. Beginning in 2010, Mr. Lau and Income Strategix took steps to prevent discovery by and to not disclose to investors that the Income Strategix funds were losing money and were not producing actual returns, and to show that the Income Strategix funds were paying expected returns.

[8] Despite the loss in value, Mr. Lau and Income Strategix paid distributions or reported an accrual of distributions to investors as though the Income Strategix funds were producing actual returns

[9] By at least 2012, Mr. Lau and Income Strategix knew they were using funds raised from new investors to make distributions to earlier investors.

[10] Depending on the nature of their investment, investors were provided monthly distributions or statements showing an increase in the value of their units when, in fact, the Income Strategix funds were incurring a loss.

[11] Mr. Lau and Income Strategix presented inaccurate information by way of the investors' online accounts on the Income Strategix Web site and in presentations that Mr. Lau gave to investors at annual meetings.

[12] Additionally, Mr. Lau led some investors to believe that the reason for a cease trade order made by the Commission was because an investor requested a withdrawal, and when Mr. Lau did not provide it, the investor had complained.

[13] Mr. Lau wrote e-mails to investors in the fall of 2013 which referred to investigations being conducted by an additional regulator. Mr. Lau knew these e-mails were not true. He sent the e-mails to hold off investors who were seeking redemptions.

[14] After the Income Strategix funds stopped raising funds in September of 2012, Mr. Lau and Income Strategix did not provide investors a clear indication of what had happened to their money or that their money had been lost. When Mr. Lau and Income Strategix began to repay investors, they promised some investors additional future payments if they agreed to delay their request for the withdrawal of their investment.

[15] The conduct of Mr. Lau and Income Strategix caused deprivation to investors in the Income Strategix funds. Some investors chose to not redeem their investments based on the representations made by Mr. Lau and Income Strategix. Others invested their money based on these misrepresentations.

[16] From the moment of their investment, each investor's pecuniary interest was placed at risk. At least 22 individuals or family investors did not receive a return of their principal investment. As of the date of the Notice of Hearing, the amount of principal owing to investors was at least $1,048,803.93.

[17] During the relevant period, Mr. Lau, as director or officer of the Income Strategix group of funds, authorized, permitted or acquiesced in Income Strategix's non-compliance with Ontario securities law.

[18] In addition, no prospectus or preliminary prospectus was filed with the Commission and no receipt has ever been issued by the Director as required by subsection 53(1) of the Act with respect to the trades of the promissory notes. During the period relevant to this proceeding, the respondents did not file a prospectus with the Commission. No exemption from the requirement of section 53 of the Act was available to the respondents.

[19] Mr. Lau and Income Strategix admit and acknowledge that they breached Ontario securities law by contravening sections 25, 53 and 126.1(1)(b) of the Act. Mr. Lau admits and acknowledges that he breached Ontario securities law by contravening section 129.2 of the Act and the respondents acknowledge they have acted contrary to the public interest.

[20] Staff of the Commission and the respondents have agreed to a settlement which accomplishes the following objectives:

a. recognizes the serious nature of the conduct, including the commission of fraud on investors;

b. seeks to prevent future harm to members of the public and public markets;

c. allows for the continued repayment to harmed investors by Mr. Lau; and

d. recognizes the mitigating factors in this case, including Mr. Lau's prior efforts to repay investors and his acceptance of full responsibility for his conduct.

[21] Mr. Lau and Income Strategix have real estate holdings which are anticipated to generate income and commissions which will be used to continue to repay harmed investors in the years ahead.

[22] It is as a result of these facts that there are two novel features to the terms of settlement put before us today for approval. The first is the fact that the settlement agreement contemplates a limited ability for Mr. Lau to continue to act as a director and officer and retain assets in order for the respondents to use the real estate holdings to generate income for repayment to harmed investors.

[23] Second, Staff of the Commission advised that they have not provided a full and final release for future prosecution related to these matters; it's because the respondents' books and records were not complete. In the event that additional harmed investors come to the attention of the Commission, Staff reserves the right to prosecute on the basis of this new information.

[24] The settlement agreement before us contemplates the following elements:

a. oversight of repayment by the respondents, conducted by Staff using a number of mechanisms as set out in detail in the settlement agreement;

b. the fact that a failure to abide by the terms of the settlement will trigger full disgorgement of the amounts obtained by the respondents; and

c. a set of sanctions which are commensurate with prior decisions of the Commission.

[25] Mr. Lau gave a brief statement to the Commission in which he expressed remorse for his conduct and his commitment to repay the outstanding amounts.

[26] We have considered the settlement agreement, the record, and the case law provided by counsel. We find that, on the basis of the settlement agreement and the record before us, that the settlement is in the public interest and we approve it as filed.

Dated at Toronto this 26th day of June, 2017.

“Janet Leiper”

“William J. Furlong”

3.1.2 Manulife Securities Incorporated and Manulife Securities Investment Services Inc. – ss. 127(1), 127(2)

IN THE MATTER OF
MANULIFE SECURITIES INCORPORATED AND
MANULIFE SECURITIES INVESTMENT SERVICES INC.

ORAL REASONS FOR APPROVAL OF SETTLEMENT
(Subsections 127(1) and 127(2) of the Securities Act, RSO 1990, c S.5)

Citation: *Manulife Securities Incorporated (Re)*, 2017 ONSEC 29
Date: 2017-07-13

Hearing:	July 13, 2017		
Decision:	July 13, 2017		
Panel:	D. Grant Vingoe William J. Furlong	–	Vice-Chair and Chair of the Panel Commissioner
Appearances:	Michelle Vaillancourt	–	For Staff of the Commission
	David Hausman Brad Moore	–	For Manulife Securities Incorporated and Manulife Securities Investment Services Inc.

ORAL REASONS FOR APPROVAL OF SETTLEMENT

The following reasons have been prepared for publication in the Ontario Securities Commission Bulletin, based on the reasons delivered orally in the hearing as edited and approved by the panel, to provide a public record of the oral reasons.

[1] This is a hearing concerning allegations made by Staff of the Ontario Securities Commission against Manulife Securities Incorporated and Manulife Securities Investment Services Inc. (together, the "**Manulife Dealers**"), each of which is a subsidiary of Manulife Financial Corporation.

[2] Staff alleges that the Manulife Dealers failed to establish, maintain and apply appropriate procedures in their systems of controls and supervision that formed part of their compliance systems (the "**Controls and Supervision Inadequacies**"), which resulted in certain clients paying excess fees that were not detected or corrected by the Manulife Dealers in a timely manner.

[3] The inadequacies fall into two categories. First, certain investment products with embedded advisor fees held in fee-based accounts with the Manulife Dealers were incorrectly included in account fee calculations, resulting in some clients paying excess fees. Second, certain clients of the Manulife Dealers were not advised that they qualified for a lower management expense ratio ("**MER**") series of a mutual fund, and they indirectly paid excess fees when they invested in the higher MER series of the same mutual fund.

[4] Had these allegations been proven in a contested hearing, the Control and Supervision Inadequacies would have constituted a breach of section 11.1 of National Instrument 31-103 – *Registration Requirements, Exemptions and Ongoing Registrant Obligations* and been contrary to the public interest.

[5] However, Staff and the Manulife Dealers have entered into a settlement agreement in which the Manulife Dealers neither admit nor deny the accuracy of the facts or the conclusions of Staff.

[6] The settlement agreement is the result of extensive negotiations between Staff and the Manulife Dealers, and the Commission affords significant deference to negotiated agreements reached by parties. As such, the Panel's consideration of the settlement before us is based only on the facts described by Staff and Staff's conclusions as set out in the settlement agreement. However, we must still be satisfied that the measures called for in the settlement agreement are appropriate and in the public interest.

[7] This Panel had the opportunity to meet with Staff and counsel for the Manulife Dealers in a confidential settlement conference. We reviewed the proposed settlement agreement and heard submissions from both parties.

[8] The role of the Panel in reviewing a settlement agreement is to determine whether the terms of the settlement as a whole are fair and reasonable in the circumstances and whether the approval of the settlement is in the public interest. In making a determination of what is in the public interest, the Panel must have regard to the purposes of the *Securities*

Act, RSO 1990, c S.5 described in section 1.1, namely, to provide protection to investors from unfair, improper or fraudulent practices and to foster fair and efficient capital markets and confidence in capital markets.

[9] Given that the parties have agreed to a settlement on a no-contest basis, the Panel must also consider OSC Staff Notice 15-702 – *Revised Credit for Cooperation Program* (2014), 37 OSCB 2583, which identifies the circumstances in which Staff may recommend that an enforcement matter be resolved on the basis of a settlement agreement in which the respondent makes no admissions of fact or liability.

[10] The Panel ultimately finds that it is in the public interest to approve the settlement agreement between Staff and the Manulife Dealers.

[11] In determining that it is in the public interest to approve the settlement agreement, we consider the following factors to be relevant:

a. the Manulife Dealers discovered and promptly self-reported the Control and Supervision Inadequacies to Staff;

b. the Manulife Dealers provided prompt, detailed and candid cooperation to Staff during the investigation of the alleged inadequacies;

c. the Manulife Dealers conducted an extensive review of its other business operated in Canada to identify whether there were any other instances of inadequacies in their systems of controls and supervision leading to clients directly paying excess fees or indirectly paying excess fees on mutual funds managed by Manulife Asset Management Limited, an affiliate of the Manulife Dealers;

d. the Manulife Dealers have made a voluntary payment of $495,000 to the Commission for the benefit of third parties or for investor education and an additional voluntary payment of $25,000 to reimburse the Commission for costs incurred;

e. the Manulife Dealers have undertaken to provide compensation in the amount of approximately $11,700,000 to affected clients, in accordance with a plan submitted by the Manulife Dealers to Staff and reviewed by the Panel (the "**Compensation Plan**");

f. the Manulife Dealers have taken corrective action, including implementing additional controls and supervision to address and prevent the reoccurrence of the Control and Supervision Inadequacies and agreeing to report to the Commission on the development and implementation of such measures; and

g. there is no allegation or evidence of dishonest conduct by the Manulife Dealers.

[12] The Panel notes that in determining compensation for those clients that invested in the higher MER series, a methodology was required to compare the return that they would have received had they invested in the lower MER series in relation to variable service charges that the affected clients would have paid had they been afforded the lower cost funds. The methodology adopted for funds other than money market/cash funds was one found to be a globally favourable methodology for the benefit of affected clients. The precise methodology employed was therefore one that was tailored to this particular case. A favourable fixed fee was also utilized in the case of money market/cash funds.

[13] The Compensation Plan mentioned above, which details the manner in which the Manulife Dealers will compensate affected clients, has not been filed by the parties with the settlement agreement. The Panel, however, has reviewed and is satisfied with the terms of the Compensation Plan. There may be circumstances in the future that would warrant the inclusion of the compensation plan with the settlement agreement submitted to the Commission for approval; however, we do not consider it necessary in this matter, and to require disclosure now would be inconsistent with the approach taken in other excess fee no-contest settlements.

[14] For all the reasons stated above, this Panel finds that it is in the public interest to approve the settlement agreement between Staff and the Manulife Dealers dated July 10, 2017. We will issue an order substantially in the form of the order in Schedule "A" to the settlement agreement.

Dated at Toronto this 13th day of July, 2017.

"D. Grant Vingoe"

"William J. Furlong"

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Chapter 4

Cease Trading Orders

4.1.1 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
DataWind Inc.	06 July 2017	19 July 2017
Global Remote Technologies Ltd.	06 June 2017	18 July 2017

4.2.1 Temporary, Permanent & Rescinding Management Cease Trading Orders

Company Name	Date of Order	Date of Lapse

THERE IS NOTHING TO REPORT THIS WEEK

4.2.2 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

THERE IS NOTHING TO REPORT THIS WEEK

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Chapter 7

Insider Reporting

This chapter is available in the print version of the OSC Bulletin, as well as as in Carswell's internet service SecuritiesSource (see www.carswell.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).

Chapter 11

IPOs, New Issues and Secondary Financings

INVESTMENT FUNDS

Issuer Name:
Axiom All Equity Portfolio
Axiom Balanced Growth Portfolio
Axiom Balanced Income Portfolio
Axiom Canadian Growth Portfolio
Axiom Diversified Monthly Income Portfolio
Axiom Foreign Growth Portfolio
Axiom Global Growth Portfolio
Axiom Long-Term Growth Portfolio
Renaissance Canadian All-Cap Equity Fund
Renaissance Canadian Balanced Fund
Renaissance Canadian Bond Fund
Renaissance Canadian Core Value Fund
Renaissance Canadian Dividend Fund
Renaissance Canadian Growth Fund
Renaissance Canadian Monthly Income Fund
Renaissance Canadian Small-Cap Fund
Renaissance Canadian T-Bill Fund
Renaissance China Plus Fund
Renaissance Corporate Bond Fund
Renaissance Diversified Income Fund
Renaissance Emerging Markets Fund
Renaissance Flexible Yield Fund
Renaissance Floating Rate Income Fund
Renaissance Global Bond Fund
Renaissance Global Focus Currency Neutral Fund
Renaissance Global Focus Fund
Renaissance Global Growth Currency Neutral Fund
Renaissance Global Growth Fund
Renaissance Global Health Care Fund
Renaissance Global Infrastructure Currency Neutral Fund
Renaissance Global Infrastructure Fund
Renaissance Global Markets Fund
Renaissance Global Real Estate Currency Neutral Fund
Renaissance Global Real Estate Fund
Renaissance Global Resource Fund
Renaissance Global Science & Technology Fund
Renaissance Global Small-Cap Fund
Renaissance Global Value Fund
Renaissance High Income Fund
Renaissance High-Yield Bond Fund
Renaissance International Dividend Fund
Renaissance International Equity Currency Neutral Fund
Renaissance International Equity Fund
Renaissance Money Market Fund
Renaissance Optimal Conservative Income Portfolio
Renaissance Optimal Global Equity Currency Neutral Portfolio
Renaissance Optimal Global Equity Portfolio
Renaissance Optimal Growth & Income Portfolio
Renaissance Optimal Income Portfolio
Renaissance Optimal Inflation Opportunities Portfolio
Renaissance Real Return Bond Fund
Renaissance Short-Term Income Fund
Renaissance U.S. Dollar Corporate Bond Fund
Renaissance U.S. Dollar Diversified Income Fund
Renaissance U.S. Equity Fund
Renaissance U.S. Equity Growth Currency Neutral Fund
Renaissance U.S. Equity Growth Fund
Renaissance U.S. Equity Income Fund
Renaissance U.S. Equity Value Fund
Renaissance U.S. Money Market Fund
Principal Regulator – Ontario
Type and Date:
Combined Preliminary and Pro Forma Simplified Prospectus dated July 21, 2017
NP 11-202 Preliminary Receipt dated July 24, 2017
Offering Price and Description:
Class F, FT4, FT6, T4, T6, HT4, HT6, FHT4 and FHT6 Units
Underwriter(s) or Distributor(s):
-
Promoter(s):
CIBC Asset Management Inc.
Project #2651624

Issuer Name:
Renaissance Money Market Fund
Renaissance Short-Term Income Fund
Renaissance Canadian Bond Fund
Renaissance Real Return Bond Fund
Renaissance Corporate Bond Fund
Renaissance U.S. Dollar Corporate Bond Fund
Renaissance High-Yield Bond Fund
Renaissance Floating Rate Income Fund
Renaissance Global Bond Fund
Renaissance U.S. Dollar Diversified Income Fund
Renaissance Optimal Conservative Income Portfolio
Renaissance Optimal Income Portfolio
Renaissance Optimal Growth & Income Portfolio
Renaissance U.S. Equity Income Fund
Renaissance International Dividend Fund
Renaissance International Equity Fund
Renaissance International Equity Currency Neutral Fund
Renaissance Optimal Global Equity Portfolio
Renaissance Optimal Global Equity Currency Neutral Portfolio
Renaissance Global Value Fund
Renaissance Global Growth Fund
Renaissance Global Growth Currency Neutral Fund
Renaissance Global Focus Fund
Renaissance Global Focus Currency Neutral Fund
Renaissance Global Small-Cap Fund
Renaissance Optimal Inflation Opportunities Portfolio
Axiom Balanced Income Portfolio
Axiom Diversified Monthly Income Portfolio
Axiom Balanced Growth Portfolio
Axiom Long-Term Growth Portfolio
Axiom Canadian Growth Portfolio
Axiom Global Growth Portfolio
Axiom Foreign Growth Portfolio
Axiom All Equity Portfolio
Principal Regulator – Ontario
Type and Date:
Amendment #3 to Final Simplified Prospectus dated July 21, 2017
Received on July 21, 2017
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
N/A
Promoter(s):
N/A
Project #2509672

Issuer Name:
Evolve Automobile Innovation Index ETF
Evolve Cyber Security Index ETF
Evolve Global Healthcare Enhanced Yield ETF
Evolve North American Gender Diversity Index ETF
Evolve US Banks Enhanced Yield ETF
Principal Regulator – Ontario
Type and Date:
Preliminary Long Form Prospectus dated July 17, 2017
NP 11-202 Preliminary Receipt dated July 19, 2017
Offering Price and Description:
Hedged Units and UnHedged Units
Underwriter(s) or Distributor(s):
-
Promoter(s):
Evolve Funds Group Inc.
Project #2650791

Issuer Name:
FDP Global Fixed Income Portfolio
Principal Regulator – Quebec
Type and Date:
Amendment #2 to Final Simplified Prospectus dated July 21, 2017
Received on July 21, 2017
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
Professionals' Financial – Mutual Funds Inc.
Promoter(s):
Professionals' Financial – Mutual Funds Inc.
Project #2602347

Issuer Name:
Horizons Cdn High Dividend Index ETF
Horizons Cdn Select Universe Bond ETF
Horizons EURO STOXX 50® Index ETF
Horizons Intl Developed Markets Equity Index ETF
Horizons NASDAQ-100® Index ETF
Horizons S&P 500 CAD Hedged Index ETF
Horizons S&P 500® Index ETF
Horizons S&P/TSX 60 Index ETF
Horizons S&P/TSX Capped Energy Index ETF
Horizons S&P/TSX Capped Financials Index ETF
Horizons US 7-10 Year Treasury Bond CAD Hedged ETF
Horizons US 7-10 Year Treasury Bond ETF
Principal Regulator – Ontario
Type and Date:
Combined Preliminary and Pro Forma Long Form Prospectus dated July 20, 2017
NP 11-202 Preliminary Receipt dated July 24, 2017
Offering Price and Description:
Class A units
Underwriter(s) or Distributor(s):
-
Promoter(s):
Horizons ETFs Management (Canada) Inc.
Project #2651596

Issuer Name:
NBI SmartBeta Canadian Equity Fund
NBI SmartBeta Global Equity Fund
Principal Regulator – Quebec
Type and Date:
Amendment #2 dated July 19, 2017 to Final Simplified Prospectus, Annual Information Form and Fund Facts (NI 81-101) dated May 12, 2017
Received on July 19, 2017
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
National Bank Investments Inc.
Promoter(s):
National Bank Investments Inc.
Project #2626325

Issuer Name:
RBC 1-5 Year Laddered Canadian Bond ETF
RBC 1-5 Year Laddered Corporate Bond ETF
RBC Canadian Bank Yield Index ETF
RBC Target 2017 Corporate Bond Index ETF
RBC Target 2018 Corporate Bond Index ETF
RBC Target 2019 Corporate Bond Index ETF
RBC Target 2020 Corporate Bond Index ETF
RBC Target 2021 Corporate Bond Index ETF
RBC Target 2022 Corporate Bond Index ETF
RBC Target 2023 Corporate Bond Index ETF
Principal Regulator – Ontario
Type and Date:
Combined Preliminary and Pro Forma Long Form Prospectus dated July 20, 2017
NP 11-202 Preliminary Receipt dated July 20, 2017
Offering Price and Description:
Units
Underwriter(s) or Distributor(s):
N/A
Promoter(s):
RBC Global Asset Management Inc.
Project #2651141

Issuer Name:
Renaissance Ultra Short-Term Income Private Pool
Renaissance Canadian Fixed Income Private Pool
Renaissance Global Bond Private Pool
Renaissance Equity Income Private Pool
Renaissance Canadian Equity Private Pool
Renaissance Multi-Sector Fixed Income Private Pool
Renaissance Global Equity Private Pool
Renaissance Real Assets Private Pool
Renaissance Multi-Asset Global Balanced Income Private Pool
Renaissance Multi-Asset Global Balanced Private Pool
Renaissance U.S. Equity Private Pool
Renaissance International equity Private Pool
Renaissance Emerging Markets Equity Private Pool
Principal Regulator – Ontario
Type and Date:
Amendment #2 to Final Simplified Prospectus dated July 21, 2017
Received on July 21, 2017
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
N/A
Promoter(s):
N/A
Project #2547981

Issuer Name:
AGF American Growth Class
AGF Canadian Large Cap Dividend Class
AGF Canadian Large Cap Dividend Fund
AGF Canadian Stock Fund
AGF Diversified Income Class
AGF Diversified Income Fund
AGF Dividend Income Fund
AGF Elements Balanced Portfolio
AGF Elements Balanced Portfolio Class
AGF Elements Conservative Portfolio
AGF Elements Conservative Portfolio Class
AGF Elements Global Portfolio
AGF Elements Global Portfolio Class
AGF Elements Growth Portfolio
AGF Elements Growth Portfolio Class
AGF Elements Yield Portfolio
AGF Elements Yield Portfolio Class
AGF Emerging Markets Bond Fund
AGF Emerging Markets Class
AGF Emerging Markets Fund
AGF Equity Income Focus Fund
AGF Fixed Income Plus Class
AGF Fixed Income Plus Fund
AGF Flex Asset Allocation Fund
AGF Floating Rate Income Fund
AGF Global Balanced Fund
AGF Global Bond Fund
AGF Global Convertible Bond Fund
AGF Global Dividend Class
AGF Global Dividend Fund
AGF Global Equity Class
AGF Global Equity Fund
AGF Global Sustainable Growth Equity Fund
AGF High Yield Bond Fund
AGF Income Focus Fund
AGF Monthly High Income Fund
AGF Tactical Income Fund
AGF Total Return Bond Class
AGF Total Return Bond Fund
AGF Traditional Income Fund
AGF U.S. Sector Class
AGF U.S. Small-Mid Cap Fund
Principal Regulator – Ontario
Type and Date:
Amendment #2 to Final Simplified Prospectus dated July 17, 2017
NP 11-202 Receipt dated July 19, 2017
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
AGF Funds Inc.
Promoter(s):
AGF Investments Inc.
Project #2596084

Issuer Name:
BetaPro Canadian Gold Miners -2x Daily Bear ETF (formerly Horizons BetaPro S&P/TSX Global Gold Bear Plus ETF)
BetaPro Canadian Gold Miners 2x Daily Bull ETF (formerly Horizons BetaPro S&P/TSX Global Gold Bull Plus ETF)
BetaPro NASDAQ-100® -2x Daily Bear ETF (formerly Horizons BetaPro NASDAQ-100® Bear Plus ETF)
BetaPro NASDAQ-100® 2x Daily Bull ETF (formerly Horizons BetaPro NASDAQ-100® Bull Plus ETF)
BetaPro S&P 500® -2x Daily Bear ETF (formerly Horizons BetaPro S&P 500® Bear Plus ETF)
BetaPro S&P 500® 2x Daily Bull ETF (formerly Horizons BetaPro S&P 500® Bull Plus ETF)
BetaPro S&P 500® Daily Inverse ETF (formerly Horizons BetaPro S&P 500® Inverse ETF)
BetaPro S&P/TSX 60 -2x Daily Bear ETF (formerly Horizons BetaPro S&P/TSX 60 Bear Plus ETF)
BetaPro S&P/TSX 60 2x Daily Bull ETF (formerly Horizons BetaPro S&P/TSX 60 Bull Plus ETF)
BetaPro S&P/TSX 60 Daily Inverse ETF (formerly Horizons BetaPro S&P/TSX 60 Inverse ETF)
BetaPro S&P/TSX Capped Energy -2x Daily Bear ETF (formerly Horizons BetaPro S&P/TSX Capped Energy Bear Plus ETF)
BetaPro S&P/TSX Capped Energy 2x Daily Bull ETF (formerly Horizons BetaPro S&P/TSX Capped Energy Bull Plus ETF)
BetaPro S&P/TSX Capped Financials -2x Daily Bear ETF (formerly Horizons BetaPro S&P/TSX Capped Financials Bear Plus ETF)
BetaPro S&P/TSX Capped Financials 2x Daily Bull ETF (formerly Horizons BetaPro S&P/TSX Capped Financials Bull Plus ETF)
Principal Regulator – Ontario
Type and Date:
Final Long Form Prospectus dated July 13, 2017
NP 11-202 Receipt dated July 19, 2017
Offering Price and Description:
Class A units @ Net Asset Value
Underwriter(s) or Distributor(s):
N/A
Promoter(s):
Horizons ETFs Management (Canada) Inc.
Project #2637975

Issuer Name:
BetaPro Crude Oil -2x Daily Bear ETF (formerly Horizons BetaPro NYMEX® Crude Oil Bear Plus ETF)
BetaPro Crude Oil 2x Daily Bull ETF (formerly Horizons BetaPro NYMEX® Crude Oil Bull Plus ETF)
BetaPro Gold Bullion -2x Daily Bear ETF (formerly Horizons BetaPro COMEX® Gold Bullion Bear Plus ETF)
BetaPro Gold Bullion 2x Daily Bull ETF (formerly Horizons BetaPro COMEX® Gold Bullion Bull Plus ETF)
BetaPro Natural Gas -2x Daily Bear ETF (formerly Horizons BetaPro NYMEX® Natural Gas Bear Plus ETF)
BetaPro Natural Gas 2x Daily Bull ETF (formerly Horizons BetaPro NYMEX® Natural Gas Bull Plus ETF)
BetaPro Silver -2x Daily Bear ETF (formerly Horizons BetaPro COMEX® Silver Bear Plus ETF)
BetaPro Silver 2x Daily Bull ETF (formerly Horizons BetaPro COMEX® Silver Bull Plus ETF)
Principal Regulator – Ontario
Type and Date:
Final Long Form Prospectus dated July 13, 2017
NP 11-202 Receipt dated July 19, 2017
Offering Price and Description:
Class A units @ Net Asset Value
Underwriter(s) or Distributor(s):
N/A
Promoter(s):
HORIZONS ETFs MANAGEMENT (CANADA) INC.
Project #2637990

Issuer Name:
CIBC Asia Pacific Fund
CIBC Asia Pacific Index Fund
CIBC Balanced Fund
CIBC Balanced Growth Passive Portfolio
CIBC Balanced Index Fund
CIBC Balanced Passive Portfolio
CIBC Canadian Bond Fund
CIBC Canadian Bond Index Fund
CIBC Canadian Equity Fund
CIBC Canadian Equity Value Fund
CIBC Canadian Index Fund
CIBC Canadian Real Estate Fund
CIBC Canadian Resources Fund
CIBC Canadian Short-Term Bond Index Fund
CIBC Canadian Small-Cap Fund
CIBC Canadian T-Bill Fund
CIBC Conservative Passive Portfolio
CIBC Dividend Growth Fund
CIBC Dividend Income Fund
CIBC Emerging Markets Fund
CIBC Emerging Markets Index Fund
CIBC Energy Fund
CIBC European Equity Fund
CIBC European Index Fund
CIBC Financial Companies Fund
CIBC Global Bond Fund
CIBC Global Bond Index Fund
CIBC Global Equity Fund
CIBC Global Monthly Income Fund
CIBC Global Technology Fund
CIBC International Equity Fund
CIBC International Index Fund
CIBC International Small Companies Fund
CIBC Latin American Fund
CIBC Managed Aggressive Growth Portfolio
CIBC Managed Balanced Growth Portfolio
CIBC Managed Balanced Portfolio
CIBC Managed Growth Portfolio
CIBC Managed Income Plus Portfolio
CIBC Managed Income Portfolio
CIBC Managed Monthly Income Balanced Portfolio
CIBC Money Market Fund
CIBC Monthly Income Fund
CIBC Nasdaq Index Fund
CIBC Precious Metals Fund
CIBC Short-Term Income Fund
CIBC U.S. Broad Market Index Fund
CIBC U.S. Dollar Managed Balanced Portfolio
CIBC U.S. Dollar Managed Growth Portfolio
CIBC U.S. Dollar Managed Income Portfolio
CIBC U.S. Dollar Money Market Fund
CIBC U.S. Equity Fund
CIBC U.S. Index Fund
CIBC U.S. Small Companies Fund
Principal Regulator – Ontario
Type and Date:
Final Simplified Prospectus dated July 5, 2017
NP 11-202 Receipt dated July 18, 2017
Offering Price and Description:
Class A, Premium Class, Class O, Class T4, Class T8, Institutional Class, Class D and Class F Units

Underwriter(s) or Distributor(s):
CIBC Securities Inc.
Promoter(s):
Canadian Imperial Bank Of Commerce
Project #2628240

Issuer Name:
CIBC Short-Term Income Fund
CIBC Canadian Bond Fund
Principal Regulator – Ontario
Type and Date:
Amendment #1 to Final Simplified Prospectus dated July 21, 2017
dated July 5, 2017
NP 11-202 Receipt dated July 24, 2017
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
CIBC Securities Inc.
Promoter(s):
Canadian Imperial Bank Of Commerce
Project #2628240

Issuer Name:
First Asset Active Canadian Dividend ETF
First Asset Active Utility & Infrastructure ETF
First Asset Canadian REIT ETF
First Asset European Bank ETF
First Asset Investment Grade Bond ETF
First Asset U.S. & Canada Lifeco Income ETF
Principal Regulator – Ontario
Type and Date:
Final Long Form Prospectus dated July 17, 2017
NP 11-202 Receipt dated July 21, 2017
Offering Price and Description:
Common Units @ Net Asset Value
Underwriter(s) or Distributor(s):
N/A
Promoter(s):
FIRST ASSET INVESTMENT MANAGEMENT INC.
Project #2639667

Issuer Name:
First Asset Cambridge Core U.S. Equity ETF
First Asset Cambridge Global Dividend ETF
Principal Regulator – Ontario
Type and Date:
Final Long Form Prospectus dated July 18, 2017
NP 11-202 Receipt dated July 20, 2017
Offering Price and Description:
Hedged common units and unhedged common units
Underwriter(s) or Distributor(s):
N/A
Promoter(s):
First Asset Investment Management Inc.
Project #2638864

Issuer Name:
Horizons Crude Oil ETF (formerly Horizons NYMEX® Crude Oil ETF)
Horizons Gold ETF (formerly Horizons COMEX® Gold ETF)
Horizons Natural Gas ETF (formerly Horizons NYMEX® Natural Gas ETF)
Horizons Silver ETF (formerly Horizons COMEX® Silver ETF)
Principal Regulator – Ontario
Type and Date:
Final Long Form Prospectus dated July 13, 2017
NP 11-202 Receipt dated July 19, 2017
Offering Price and Description:
Class A units @ Net Asset Value
Underwriter(s) or Distributor(s):
N/A
Promoter(s):
HORIZONS ETFs MANAGEMENT (CANADA) INC.
Project #2637997

Issuer Name:
Lysander-Slater Preferred Share ActivETF
Principal Regulator – Ontario
Type and Date:
Final Long Form Prospectus dated July 24, 2017
NP 11-202 Receipt dated July 24, 2017
Offering Price and Description:
Units
Underwriter(s) or Distributor(s):
N/A
Promoter(s):
N/A
Project #2632911

Issuer Name:
Renaissance Flexible Yield Fund
Principal Regulator – Ontario
Type and Date:
Amendment #1 to Final Simplified Prospectus dated July 21, 2017
NP 11-202 Receipt dated July 24, 2017
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
N/A
Promoter(s):
N/A
Project #2547916

Issuer Name:
UIT Energy Producers Class
UIT Alternative Health Fund (formerly UIT Global REIT Fund)
UIT Gold Developers & Producers Class
Principal Regulator – Ontario
Type and Date:
Amendment #2 to Final Simplified Prospectus dated June 28, 2017
NP 11-202 Receipt dated July 18, 2017
Offering Price and Description:
Series A and F Securities @ Net Asset Value
Underwriter(s) or Distributor(s):
-
Promoter(s):
Faircourt Asset Management Inc.
Project #2516030

NON-INVESTMENT FUNDS

Issuer Name:
3D Signatures Inc.(Formerly Plicit Capital Corp.)
Principal Regulator – Ontario
Type and Date:
Preliminary Short Form Prospectus dated July 18, 2017
NP 11-202 Preliminary Receipt dated July 19, 2017
Offering Price and Description:
Up to $5,000,000.00 – Up to 12,500,00 Common Shares
Price: $0.40
Underwriter(s) or Distributor(s):
Haywood Securities Inc.
Industrial Alliance Securities Inc.
Promoter(s):
-
Project #2650643

Issuer Name:
BioAmber Inc.
Principal Regulator – Ontario
Type and Date:
Preliminary Prospectus – MJDS dated July 17, 2017
NP 11-202 Preliminary Receipt dated July 18, 2017
Offering Price and Description:
US$100,000,000.00 – Common Stock, Preferred Stock, Debt Securities, Warrants, Units
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #2650309

Issuer Name:
Canadian Natural Resources Limited
Principal Regulator – Alberta
Type and Date:
Preliminary Shelf Prospectus dated July 20, 2017
NP 11-202 Preliminary Receipt dated July 20, 2017
Offering Price and Description:
Cdn$4,000,000,000.00 – 97,560,975 Common Shares
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #2651184

Issuer Name:
Canadian Natural Resources Limited
Principal Regulator – Alberta
Type and Date:
Preliminary Shelf Prospectus dated July 20, 2017
NP 11-202 Preliminary Receipt dated July 20, 2017
Offering Price and Description:
$3,000,000,00.00 – Medium Term Notes (unsecured)
Price: RATES ON APPLICATION
Underwriter(s) or Distributor(s):
ALTACORP CAPITAL INC.
BMO NESBITT BURNS INC.
CIBC WORLD MARKETS INC.
DESJARDINS SECURITIES INC.
MERRILL LYNCH CANADA INC.
RBC DOMINION SECURITIES INC.
SCOTIA CAPITAL INC.
TD SECURITIES INC.
Promoter(s):
-
Project #2651190

Issuer Name:
Eagle Credit Card Trust
Principal Regulator – Ontario
Type and Date:
Preliminary Shelf Prospectus dated July 19, 2017
NP 11-202 Preliminary Receipt dated July 19, 2017
Offering Price and Description:
Up to $1,000,000,000.00 of Credit Card Receivables-Backed Notes
Price: RATES ON APPLICATION
Underwriter(s) or Distributor(s):
CIBC WORLD MARKETS INC.
RBC DOMINION SECURITIES INC.
BMO NESBITT BURNS INC.
DESJARDINS SECURITIES INC.
NATIONAL BANK FINANCIAL INC.
SCOTIA CAPITAL INC.
TD SECURITIES INC.
Promoter(s):
PRESIDENT'S CHOICE BANK
Project #2650898

Issuer Name:
GreenSpace Brands Inc. (formerly Aumento IV Capital Corporation)
Principal Regulator – Ontario
Type and Date:
Preliminary Short Form Prospectus dated July 19, 2017
NP 11-202 Preliminary Receipt dated July 19, 2017
Offering Price and Description:
$10,064,000.00 – 6,800,000 Common Shares
Price: $1.48 per Common Share
Underwriter(s) or Distributor(s):
BEACON SECURITIES LIMITED
CORMARK SECURITIES INC.
LAURENTIAN BANK SECURITIES INC.
PI FINANCIAL CORP.
RAYMOND JAMES LTD.
Promoter(s):
-
Project #2649744

Issuer Name:
Kinder Morgan Canada Limited
Principal Regulator – Alberta
Type and Date:
Preliminary Shelf Prospectus dated July 19, 2017
NP 11-202 Preliminary Receipt dated July 19, 2017
Offering Price and Description:
$2,500,000,000.00 – , Restricted Voting Shares, Preferred Shares, Warrants, Subscription Receipts, Units
Underwriter(s) or Distributor(s):
-
Promoter(s):
Kinder Morgan, Inc.
Project #2650934

Issuer Name:
Pembina Pipeline Corporation
Principal Regulator – Alberta
Type and Date:
Preliminary Shelf Prospectus dated July 18, 2017
NP 11-202 Preliminary Receipt dated July 18, 2017
Offering Price and Description:
$3,000,000,000.00 – , Common Shares, Preferred Shares, Warrants, Subscription Receipts, Units
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #2650539

Issuer Name:
Pembina Pipeline Corporation
Principal Regulator – Alberta
Type and Date:
Preliminary Shelf Prospectus dated July 18, 2017
NP 11-202 Preliminary Receipt dated July 18, 2017
Offering Price and Description:
$3,000,000,000.00 – Medium Term Notes(Unsecured)
Price: RATES ON APPLICATION
Underwriter(s) or Distributor(s):
ALTACORP CAPITAL INC.
BMO NESBITT BURNS INC.
CIBC WORLD MARKETS INC.
J.P. MORGAN SECURITIES CANADA INC.
NATIONAL BANK FINANCIAL INC.
RBC DOMINION SECURITIES INC.
SCOTIA CAPITAL INC.
TD SECURITIES INC.
Promoter(s):
-
Project #2650547

Issuer Name:
Trilogy International Partners Inc.
Principal Regulator – British Columbia
Type and Date:
Preliminary Shelf Prospectus (NI 44-102) dated July 24, 2017
NP 11-202 Preliminary Receipt dated July 24, 2017
Offering Price and Description:
US$350,000,000.00 – Common Shares, Warrants, Units, Subscription Receipts, Share Purchase Contracts
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #2651835

Issuer Name:
Calaveras Resource Corp.
Principal Regulator – British Columbia
Type and Date:
Final Long Form Prospectus dated July 20, 2017
NP 11-202 Receipt dated July 21, 2017
Offering Price and Description:
Minimum Offering to raise gross proceeds of $400,000.00 through the issuance of
4,000,000 Units at a price of $0.10 per Unit
Maximum Offering to raise gross proceeds of $500,000.00 through the issuance of
5,000,000 Units at a price of $0.10 per Unit
Underwriter(s) or Distributor(s):
Haywood Securities Inc.
Promoter(s):
Anthony Zelen
Project #2636497

Issuer Name:
Emerald Health Therapeutics, Inc. (formerly T-Bird Pharma Inc.)
Principal Regulator – British Columbia
Type and Date:
Amended and Restated Short Form Base Shelf Prospectus dated July 13, 2017 amending and restating the Short Form Base Shelf Prospectus dated January 25, 2017
NP 11-202 Receipt dated July 18, 2017
Offering Price and Description:
$150,000,000.00 – Common Shares, Preferred Shares, Warrants, Subscription, Receipts, Units, Debt Securities
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #2573427

Issuer Name:
European Commercial Real Estate Investment Trust
Principal Regulator – Ontario
Type and Date:
Final Short Form Prospectus dated July 18, 2017
NP 11-202 Receipt dated July 19, 2017
Offering Price and Description:
$33,437,250.00 – 7,430,500 Units
Price: $4.50 per Unit
Underwriter(s) or Distributor(s):
CIBC WORLD MARKETS INC.
NATIONAL BANK FINANCIAL INC.
SCOTIA CAPITAL INC.
BMO NESBITT BURNS INC.
RBC DOMINION SECURITIES INC.
TD SECURITIES INC.
CANACCORD GENUITY CORP.
GMP SECURITIES L.P.
RAYMOND JAMES LTD.
DESJARDINS SECURITIES INC.
INDUSTRIAL ALLIANCE SECURITIES INC.
Promoter(s):
Thomas Schwartz
Phillip Burns
Project #2647323

Issuer Name:
Mobi724 Global Solutions Inc.
Principal Regulator – Quebec
Type and Date:
Final Short Form Prospectus dated July 20, 2017
NP 11-202 Receipt dated July 20, 2017
Offering Price and Description:
29,538,203 Common Shares and 14,769,101 Common Share Purchase Warrants
on exercise or deemed exercise of 29,538,203 Special Warrants
Underwriter(s) or Distributor(s):
GMP SECURITIES L.P.
Promoter(s):
-
Project #2648291

Issuer Name:
Northern Empire Resources Corp.
Principal Regulator – British Columbia
Type and Date:
Final Short Form Prospectus dated July 18, 2017
NP 11-202 Receipt dated July 18, 2017
Offering Price and Description:
26,076,698 Common Shares issuable upon the conversion of 78,230,095 issued and
outstanding Subscription Receipts
and 6,925,200 Note Units issuable upon the conversion of $5,193,900 of principal amount of Notes
Underwriter(s) or Distributor(s):
CORMARK SECURITIES INC.
GMP SECURITIES L.P.
HAYWOOD SECURITIES INC.
PI FINANCIAL CORPORATION
Promoter(s):
-
Project #2640485

Issuer Name:
OV2 Investment 1 Inc.
Principal Regulator – Ontario
Type and Date:
Final Prospectus dated July 14, 2017
NP 11-202 Receipt dated July 18, 2017
Offering Price and Description:
$500,000.00 or 5,000,000 Common Shares
Price: $0.10 per Common Share
Underwriter(s) or Distributor(s):
Canaccord Genuity Corp.
Promoter(s):
Sheldon Pollack
Adam Adamou
Eric Apps
Babek Pedram
Project #2614310

Chapter 12

Registrations

12.1.1 Registrants

Type	Company	Category of Registration	Effective Date
Voluntary Surrender	Baring North America LLC	Investment Fund Manager and Exempt Market Dealer	July 17, 2017
Voluntary Surrender	Baring International Investment Limited	Portfolio Manager	July 17, 2017
Voluntary Surrender	HL EMD LLC	Exempt Market Dealer	July 17, 2017
New Registration	Link Plan Management Inc.	Portfolio Manager	July 20, 2017
Change in Registration Category	Polar Asset Management Partners Inc.	From: Investment Dealer,Futures Commission Merchant and Investment Fund Manager To: Portfolio Manager, Exempt Market Dealer, Commodity Trading Manager and Investment Fund Manager	July 20, 2017
Change in Registration Category	Modern Advisor Canada Inc.	From: Restricted Portfolio Manager To: Portfolio Manager	July 21, 2017

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Chapter 13

SROs, Marketplaces, Clearing Agencies and Trade Repositories

13.1 SROs

13.1.1 IIROC – Proposed Provisions Respecting the Execution and Reporting of Certain "Off-Marketplace" Trades – Notice of Withdrawal

THE INVESTMENT INDUSTRY REGULATORY ORGANIZATION OF CANADA
(IIROC)

PROPOSED PROVISIONS RESPECTING THE EXECUTION AND REPORTING OF CERTAIN "OFF-MARKETPLACE" TRADES

NOTICE OF WITHDRAWAL

IIROC is publishing a Notice withdrawing proposed amendments to the Universal Market Integrity Rules relating to the execution and reporting of certain off-marketplace trades. IIROC Rules Notice 12-0131 *Provisions Respecting the Execution and Reporting of Certain "Off-Marketplace" Trades* was published for comment on April 13, 2012 (Proposed Amendments) and nine comment letters were received. IIROC does not intend to move forward with the changes included in the Proposed Amendments at this time and therefore is withdrawing them from consideration for approval. A copy of the IIROC Notice regarding the withdrawal is published on our website at http://www.osc.gov.on.ca.

13.2 Marketplaces

13.2.1 Aequitas NEO Exchange – Housekeeping Amendments to Listing Manual and Trading Policies – Notice of Housekeeping Rule Amendments

AEQUITAS NEO EXCHANGE

NOTICE OF HOUSEKEEPING RULE AMENDMENTS

HOUSEKEEPING AMENDEMENTS TO THE LISTING MANUAL AND TRADING POLICIES

Introduction

Aequitas NEO Exchange Inc. ("NEO Exchange") has adopted, and the Ontario Securities Commission (the "OSC") has approved, housekeeping amendments (the "Amendments") to the NEO Exchange listing manual (the "Listing Manual") and trading policies (the "Trading Policies") in accordance with Schedule 5 to its recognition order, as amended (the "Protocol"). The Amendments are Housekeeping Rules under the Protocol and as such have not been published for comment. The OSC has not disagreed with the categorization of the Amendments as Housekeeping Rules.

Description of the Housekeeping Rule Amendments

The rule changes are part of the Canadian securities industry's initiative to move the standard settlement cycle from a trade date plus three business days ("**T+3**") settlement cycle to a trade date plus two business days ("**T+2**") settlement cycle. This change in settlement is being undertaken to align with upcoming changes in the U.S. markets.

The Canadian Capital Markets Association's T+2 Steering Committee and working group members have been coordinating efforts to ensure a smooth transition to a T+2 standard for the Canadian markets. The United States announced in late 2014 that it would switch to T+2 and the planned date is September, 2017.

Amendments will be made to the following provisions to reflect the change from T+3 to T+2:

(a) Applicable edits to amounts of time (days) in sections 6.01(2), 6.02(2), 6.02(4), 7.09(4) and 7.15(2) of the Listing Manual.

(b) Similar applicable edits in sections 12.03(1), 12.03(2)(a)(ii) and 12.03(2)(b)(i) and (ii) of the Trading Policies.

The text of the Amendments (for the Listing Manual followed by the Trading Policies) is attached at Appendix A.

Implementation Date

The Amendments will be implemented on:

(a) September 5, 2017; or

(b) such later date as determined by the Canadian securities industry.

The date may move as a result of a decision by the U.S. SEC to push back the current compliance date of September 5, 2017 for broker-dealers in the United States to meet a new T+2 settlement standard under amendments to SEC Rule 15c6-1.

There will be a short transition period as part of the implementation of the Amendments, as agreed between the Canadian exchanges and CDS, to avoid corporate actions with ex-dates on September 5, 2017, the details of which will be published by notice to NEO Listed Issuers.

APPENDIX A

TEXT OF AMENDMENTS TO THE LISTING MANUAL AND TRADING POLICIES

AEQUITAS NEO EXCHANGE LISTING MANUAL

…

PART VI DIVIDENDS OR OTHER DISTRIBUTIONS

6.01 Dividends or Other Distributions

…

(2) The Exchange may use Due Bills for distributions which are subject to a condition which may not be satisfied before the normal ex-distribution trading date (i.e., ~~two~~ one trading day~~s~~ before the Record Date). When Due Bills are used for conditional distributions, the condition must be met prior to the payment date. See section 6.02.

…

6.02 Due Bill Trading

…

(2) Due Bill trading may be used at the discretion of the Exchange based on various relevant factors. However, the Exchange will normally defer ex-distribution trading and use Due Bills when the distribution per listed security represents 25% or more of the value of the listed security on the declaration date. Without the use of Due Bills, trading on an ex-distribution basis would commence ~~two~~ one trading day~~s~~ prior to the Record Date for the distribution and could result in a significant adjustment of the market price of the security. Security holders will then be deprived of the value of the distribution between the ex-distribution date and the payment date. By deferring the ex-distribution date through the use of Due Bills, sellers of the listed securities during this period can realize the full value of the listed securities they hold, by selling the securities with the Due Bills attached. The use of Due Bills will also avoid confusion regarding the market value of the listed securities.

…

(4) The Exchange may also use Due Bills for distributions which are subject to a condition which may not be satisfied before the normal ex-distribution trading date (i.e., ~~two~~ one trading day~~s~~ before the Record Date). When Due Bills are used for conditional distributions, the condition must be met prior to the payment date.

PART VII CORPORATE FINANCE AND CAPITAL STRUCTURE CHANGES

…

7.09 Rights Offerings

…

(4) A Listed Issuer must finalize the terms of the rights offering and obtain clearance from all applicable securities regulatory authorities at least seven trading days prior to the Record Date for a rights offering. “Ex” trading will begin ~~two~~ one trading day~~s~~ prior to the Record Date, meaning purchasers on and after that date will not be entitled to obtain rights certificates. Trading in the rights will begin on the first day of “ex” trading in the Listed Securities. If insufficient notice is given, the Exchange will require the Listed Issuer to delay the Record Date. Due Bill trading may be used in certain circumstances for conditional rights offerings as determined at the discretion of the Exchange. See section 6.02.

…

7.15 Stock Subdivisions (Stock Splits)

…

(2) Subject to section 7.15(4), the securities will begin trading on a split basis ~~two~~ one trading day~~s~~ prior to the Record Date for a stock subdivision accomplished by stock dividend.

…

AEQUITAS NEO EXCHANGE TRADING POLICIES

PART XII CLEARING AND SETTLEMENT

…

12.03 Settlement of the Exchange Trades of Listed Securities

(1) Unless otherwise provided by the Exchange or the parties to the trade by mutual agreement, trades of Listed Securities on the Exchange must settle on the ~~third~~second settlement day following the trade.

(2) Notwithstanding Section 12.03(1), unless otherwise provided by the Exchange or the parties to the trade by mutual agreement:

(a) trades in Listed Securities made on a when issued basis:

(i) prior to the second trading day before the anticipated date of issue of the security must settle on the anticipated date of issue of such security, and

(ii) on or after the second trading day before the anticipated date of issue of the security must settle on the ~~third~~second settlement day after the trade date,

provided if the security has not been issued on the date for settlement such trades shall settle on the date that the security is actually issued and provided that if the security will not be issued all trades made on a when issued basis will be cancelled;

(b) trades in Listed Securities that are rights, warrants and instalment receipts:

(i) on the ~~third~~second trading day before the expiry or payment date must settle on the settlement day before the expiry or payment date,

(ii) on the ~~second and~~ first trading day before the expiry or payment date, must be made as cash trades for next day settlement,

…

13.2.2 Canadian Securities Exchange – Industry Transition to T+2 Securities Settlement – Notice of Housekeeping Rule Amendments

CANADIAN SECURITIES EXCHANGE

NOTICE OF HOUSEKEEPING RULE AMENDMENTS

INDUSTRY TRANSITION TO T+2 SECURITIES SETTLEMENT

July 27, 2017

Description of the Housekeeping Rule Amendments

Amendments to the CSE Policies and Rules are being made to facilitate the securities industry move to a trade date plus two days ("T+2") settlement environment. The amendments are minor in nature and reflect the reduction in the settlement period by one day.

Classification of the Amendments

The amendments have been classified as a Housekeeping Rule and as such have not been published for comment. OSC Staff have not disagreed with this classification.

Expected Implementation Date

The proposed amendments (excluding those impacting ex-dates) are expected to be implemented on the later of:

(a) September 5, 2017; or

(b) such date that the Canadian securities industry determines to be the commencement of the T+2 settlement period. This may occur in the event that the United States Securities and Exchange Commission ("SEC") extends the current compliance date of September 5, 2017 for broker-dealers in the United States to meet a new T+2 settlement standard under the amendments to SEC Rule 15c6-1.[1]

Ex-dates

Canadian exchanges have agreed to set ex-dates in a manner that will minimize manual claims between participants. Due to the "double settlement" date of September 7, 2017 (i.e. trades from September 1, 2017 settling on a T+3 basis and trades from September 5, 2017 settling on a T+2 basis; each set of trades settling on September 7, 2017), the ex-date methodology will be applied transitionally.

The following chart provides the normal course ex-date calculations that would occur during the transition:

Record Date	Ex-Date
Tuesday, September 5, 2017	Thursday, August 31, 2017
Wednesday, September 6, 2017*	Friday, September 1, 2017
Thursday, September 7, 2017	Wednesday, September 6, 2017

* If announced before September 1, 2017.

Note: Monday September 4, 2017 is a holiday and there will be no ex-date on that day.

Issuers should not declare a corporate action event on or after September 1, 2017 with a record date of September 6, 2017. This would necessitate an override of the ex-date transition methodology and the ex-date would become September 5, 2017. This scenario would lead to manual claims between participants.

[1] SEC Release No. 34-80295; File No. S7-22-16 (RIN 3235-AL86), *Securities Transaction Settlement Cycle*; Final rule; published in Federal Register, March 29, 2017; available at: https://www.gpo.gov/fdsys/pkg/FR-2017-03-29/pdf/2017-06037.pdf.

Blacklined version indicating changes to existing Rules and Policies	Version indicating changes incorporated
Rule 5-103 Settlement of Trades (1) Trades shall settle on the ~~third~~second settlement day after the trade date, unless otherwise provided by the Exchange or the parties to the trade by mutual agreement. (2) Notwithstanding Rule 5-103(1), unless otherwise provided by the Exchange or the parties to the trade by mutual agreement: (a) trades on a when issued basis made: (i) prior to the second Trading Day before the anticipated date of issue of the security shall be settled on the anticipated date of issue of such security, and (ii) on or after the second Trading Day before the anticipated date of issue of the security shall settle on the ~~third~~second settlement day after the trade date, provided if the security has not been issued on the date for settlement such trades shall be settled on the date that the security is actually issued; (b) trades for rights, warrants and installment receipts made: (i) on the ~~third~~second Trading Day before the expiry or payment date shall be for special settlement on the settlement day before the expiry or payment date; (ii) on the second and first Trading Day before the expiry or payment date, shall be cash trades for next day settlement, and (iii) on expiry or payment date shall be cash trades for immediate settlement and trading shall cease at 12:00 Noon (unless the expiry or payment time is set prior to the close of business in which case trading shall cease at the close of business on the first Trading Day preceding the expiry or payment), provided selling Dealers must have the securities that are being sold in their possession or credited to the selling account's position prior to such sale; …	**Rule 5-103 Settlement of Trades** (1) Trades shall settle on the second settlement day after the trade date, unless otherwise provided by the Exchange or the parties to the trade by mutual agreement. (2) Notwithstanding Rule 5-103(1), unless otherwise provided by the Exchange or the parties to the trade by mutual agreement: (a) trades on a when issued basis made: (i) prior to the second Trading Day before the anticipated date of issue of the security shall be settled on the anticipated date of issue of such security, and (ii) on or after the second Trading Day before the anticipated date of issue of the security shall settle on the second settlement day after the trade date, provided if the security has not been issued on the date for settlement such trades shall be settled on the date that the security is actually issued; (b) trades for rights, warrants and installment receipts made: (i) on the second Trading Day before the expiry or payment date shall be for special settlement on the settlement day before the expiry or payment date; (ii) on the second and first Trading Day before the expiry or payment date, shall be cash trades for next day settlement, and (iii) on expiry or payment date shall be cash trades for immediate settlement and trading shall cease at 12:00 Noon (unless the expiry or payment time is set prior to the close of business in which case trading shall cease at the close of business on the first Trading Day preceding the expiry or payment), provided selling Dealers must have the securities that are being sold in their possession or credited to the selling account's position prior to such sale; …
Policy 6 **Listing of Rights** **6.4** Rights are listed on the ~~second~~first trading day preceding the record date. At the same time, the shares of the Listed Issuer commence trading on an ex-rights basis, which means that purchasers of the Listed Issuer's securities are not entitled to receive the rights.	**Policy 6** **Listing of Rights** **6.4** Rights are listed on the first trading day preceding the record date. At the same time, the shares of the Listed Issuer commence trading on an ex-rights basis, which means that purchasers of the Listed Issuer's securities are not entitled to receive the rights.

Blacklined version indicating changes to existing Rules and Policies	Version indicating changes incorporated
Policy 9 Name Change, Stock Splits and Share Consolidations **Section 2 Stock Split** Section 2.6 The shares will commence quotation on the Exchang~~b~~e on a split basis at the opening of business on the ~~second~~first trading day preceding the ~~r~~Record ~~d~~Date. The Exchange will issue a Bulletin to Dealers advising of the stock split and effective date of trading on a split basis. Section 3.5 The shares will commence quotation on the Exchange on a consolidated basis on the ~~second~~first trading day preceding the Record Date. The Exchange will issue a Bulletin to Dealers advising of the share consolidation and effective date of trading on the consolidated basis. **Share Reclassification (with no Stock Split)** Section 4.3 The reclassification will normally become effective for quotation purposes on the Exchange ~~two~~one trading day~~s~~ preceding the Record Date. The Exchange will issue a CNSX Bulletin to CNSX Dealers advising of the share reclassification and effective date of trading on the reclassified basis.	**Policy 9 Name Change, Stock Splits and Share Consolidations** **Section 2 Stock Split** Section 2.6 The shares will commence quotation on the Exchange on a split basis at the opening of business on the first trading day preceding the Record Date. The Exchange will issue a Bulletin to Dealers advising of the stock split and effective date of trading on a split basis. Section 3.5 The shares will commence quotation on the Exchange on a consolidated basis on the first trading day preceding the Record Date. The Exchange will issue a Bulletin to Dealers advising of the share consolidation and effective date of trading on the consolidated basis. **Share Reclassification (with no Stock Split)** Section 4.3 The reclassification will normally become effective for quotation purposes on the Exchange one trading day preceding the Record Date. The Exchange will issue a CNSX Bulletin to CNSX Dealers advising of the share reclassification and effective date of trading on the reclassified basis.

13.3 Clearing Agencies

13.3.1 CDS – Proposed Amendments to CDS Fee Schedule – CDS Marketplace Set-Up Fees – Notice of Withdrawal

CDS CLEARING AND DEPOSITORY SERVICES INC.

PROPOSED AMENDMENTS TO CDS FEE SCHEDULE

CDS MARKETPLACE SET-UP FEES

NOTICE OF WITHDRAWAL

In accordance with the provisions of the rule protocol between the Ontario Securities Commission ("OSC") and CDS Clearing and Depository Services Inc. ("CDS®"), CDS hereby officially withdraws its submission of the proposed amendments to the CDS Fee Schedule related to CDS Marketplace Set-Up Fees. The proposed Rule amendments were submitted for regulatory approval on June 30, 2016.

A copy and description of the amendments were published for comment on July 7, 2016 in the OSC Bulletin, Volume 39, Issue 27.

13.3.2 Eurex Clearing AG – Application for Exemptive Relief – Notice of Commission Order

EUREX CLEARING AG

APPLICATION FOR EXEMPTIVE RELIEF

NOTICE OF COMMISSION ORDER

On July 14, 2017, the Commission issued an order under section 147 of the *Securities Act* (Ontario) (Act) exempting Eurex Clearing AG (Eurex Clearing) from the requirement in subsection 21.2(0.1) of the Act to be recognized as a clearing agency (Order), subject to terms and conditions as set out in the Order.

The Commission published Eurex Clearing's application and draft exemption order for comment on May 25, 2017 on the OSC website at ahttp://www.osc.gov.on.ca/en/Marketplaces_ca_20170525_rfc_application-exemption.htmt and at (2017), 40 OSCB 4766.

In issuing the Order, no changes were made to the draft order published for comment.

A copy of the Order is published in Chapter 2 of this Bulletin.

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Index