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Chapter 1

Notices / News Releases

1.1 Notices

1.1.1 Notice of Correction – CDS – Technical Amendments to CDS Procedures – Housekeeping Changes – Notice of Effective Date

Notice of Effective Date – Technical Amendments to CDS Procedures – Housekeeping Changes *was published at (2018), 41 OSCB 6432. The date on page 6432 was incorrect in two places. The text should read as follows:*

NOTICE OF EFFECTIVE DATE

TECHNICAL AMENDMENTS TO CDS PROCEDURES – HOUSEKEEPING CHANGES

JULY 2018

The Ontario Securities Commission is publishing *Notice of Effective Date – Technical Amendments to CDS Procedures – Housekeeping Changes – July 2018*. The CDS procedure amendments were reviewed and non-disapproved by CDS's strategic development review committee (SDRC) on July 26, 2018.

A copy of the CDS Notice is on our website http://www.osc.gov.on.ca

1.5 Notices from the Office of the Secretary

1.5.1 Muchoki Fungai Simba

FOR IMMEDIATE RELEASE
August 9, 2018

MUCHOKI FUNGAI SIMBA
(also previously known as Henderson MacDonald Alexander Butcher),
File No. 2018-6

TORONTO – Following the hearing on the merits in the above noted matter, the Commission issued its Reasons and Decision.

A copy of the Reasons and Decision dated August 8, 2018 is available at www.osc.gov.on.ca.

OFFICE OF THE SECRETARY
GRACE KNAKOWSKI
SECRETARY TO THE COMMISSION

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1.5.2 Natural Bee Works Apiaries Inc., Rinaldo Landucci and Tawlia Chickalo

FOR IMMEDIATE RELEASE
August 10, 2018

NATURAL BEE WORKS APIARIES INC.,
RINALDO LANDUCCI and
TAWLIA CHICKALO,
File No. 2018-40

TORONTO – Take notice that upon Staff's request, an attendance in the above-named matter is scheduled to be heard on August 22, 2018 at 12:30 p.m.

OFFICE OF THE SECRETARY
GRACE KNAKOWSKI
SECRETARY TO THE COMMISSION

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1.5.3 Majd Kitmitto et al.

FOR IMMEDIATE RELEASE
August 13, 2018

MAJD KITMITTO,
STEVEN VANNATTA,
CHRISTOPHER CANDUSSO AND
CLAUDIO CANDUSSO,
File No. 2018-9

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

A copy of the Order dated August 13, 2018 is available at www.osc.gov.on.ca.

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Chapter 2

Decisions, Orders and Rulings

2.1 Decisions

2.1.1 TELUS Communications Inc.

Headnote

Multilateral Instrument 11-102 Passport System and National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – National Instrument 62-104 Take-Over Bids and Issuer Bids, s. 6.1 – A wholly-owned subsidiary of the issuer wants relief from the issuer bid requirements in Part 2 of NI 62-104 to purchase shares under the issuer's normal course issuer bid - The issuer is making a normal course issuer bid accepted by the exchange; the filer is a wholly-owned subsidiary of the issuer that will purchase a portion of shares under the normal course issuer bid which it will then donate to a charity operated by the issuer; all purchases of shares under the normal course issuer bid by the issuer and the filer will be made in accordance with exchange rules; the issuer is proposing that the filer make the purchases solely for tax reasons.

Applicable Legislative Provisions

National Instrument 62-104 Take-Over Bids and Issuer Bids, Part 2, Part 4 and s. 6.1.

August 2, 2018

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

AND

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

AND

IN THE MATTER OF
TELUS COMMUNICATIONS INC.
(the Filer)

DECISION

Background

1 The securities regulatory authority or regulator in each of the Jurisdictions (the Decision Maker) has received an application from the Filer for a decision under the securities legislation of the Jurisdictions (the Legislation) for an exemption from the requirements applicable to issuer bids (the Issuer Bid Requirements) in Part 2 of National Instrument 62-104 *Take-Over Bids and Issuer Bids* (NI 62-104) for purchases by the Filer of common shares (Common Shares) of TELUS Corporation (TELUS) under TELUS' normal course issuer bid occurring prior to November 13, 2018 (the Exemptive Relief Requested).

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

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

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

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

Interpretation

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

Representations

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

1. TELUS is a corporation governed by the *Business Corporations Act* (British Columbia);

2. the head office and registered office of TELUS is located at 7th Floor, 510 W. Georgia St., Vancouver, British Columbia;

3. TELUS is a reporting issuer in each of the provinces of Canada and the Common Shares are listed for trading on the Toronto Stock Exchange (the TSX) and the New York Stock Exchange (the NYSE) under the symbols "T" and "TU", respectively; TELUS 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 TELUS consists of 4,000,000,000 shares, divided into: (i) 2,000,000,000 Common Shares without par value; (ii) 1,000,000,000 First Preferred shares without par value; and (iii) 1,000,000,000 Second Preferred shares without par value; as of July 24, 2018, 597,774,841 Common Shares, no First Preferred Shares and no Second Preferred Shares were issued and outstanding;

5. the Filer is a corporation governed by the *Business Corporations Act* (British Columbia) and is a direct wholly-owned subsidiary of TELUS;

6. the head office and registered office of the Filer is located at 7th Floor, 510 W. Georgia St., Vancouver, British Columbia and its executive office at 23rd Floor, 510 W. Georgia St., Vancouver, British Columbia;

7. the Filer is a reporting issuer in each of the provinces of Canada as it has outstanding unsecured debentures, for which TELUS has guaranteed the payment of principal and interest, and the Filer relies on the continuous disclosure documents filed by TELUS pursuant to an exemption from continuous disclosure requirements under section 13.4 of National Instrument 51-102 *Continuous Disclosure Obligations*; the Filer is not in default of any requirement of the securities legislation in the jurisdictions in which it is a reporting issuer;

8. TELUS Foundation (the Foundation) is a corporation governed by the *Canada Not-for-profit Corporations Act* and a registered charity as defined under the *Income Tax Act* (Canada) (ITA);

9. the Foundation was established to receive gifts, bequests, trusts, funds and property and beneficially, or as a trustee agent, to hold, invest, develop, manage, administer and distribute funds and property to charities that are designated as "qualified donees" under the ITA and over the years it has supported various TELUS charitable giving initiatives, as well as periodic charitable giving by current and former TELUS employees and directors;

10. under a "Notice of Intention to Make a Normal Course Issuer Bid" (the Notice) that was originally submitted to, and accepted by, the TSX, effective November 13, 2017, up to 8,000,000 Common Shares, representing 1.35% of TELUS' public float of Common Shares as of the date specified in the Notice, subject to a maximum aggregate purchase price consideration of $250 million excluding brokerage costs and commission, may be purchased under a normal course issuer bid; a proposed amendment of the Notice (the Amended Notice) was submitted to the TSX, on June 25, 2018, to permit the Filer to purchase up to a number of the Common Shares referenced in the Notice with an aggregate fair market value of up to $105 million for donation to the Foundation under the amended normal course issuer bid (the Normal Course Issuer Bid), while the remaining Common Shares may only be purchased by TELUS for cancellation, and the TSX has indicated that it has no concerns with the proposed Amended Notice;

11. in accordance with the Notice, the Normal Course Issuer Bid is being, and will be, conducted through the facilities of the TSX, the NYSE or alternative Canadian trading platforms (including Alpha ATS, Pure Trading, Chi-X, Omega ATS and MATCH Now), or such other means as may be permitted by the TSX or a securities regulatory authority, in accordance with sections 628 to 629.3 of Part VI of the TSX Company Manual (the

TSX NCIB Rules), including by way of off-market purchases under exemption orders issued by a securities regulatory authority;

12. the Filer wishes to donate to the Foundation Common Shares with an aggregate fair market value of up to $105 million purchased by the Filer under the Normal Course Issuer Bid or other exemptions from the Issuer Bid Requirements under NI 62-104;

13. the donation will provide the Foundation with a long-term endowment of the Common Shares to be held by the Foundation as an investment, with dividends received on the Donated Shares providing funding for ongoing charitable giving by the Foundation;

14. TELUS and the Filer will enter into one or more agreements with the broker appointed under the Normal Course Issuer Bid, to contemplate the ability of TELUS to specify that a portion of the Common Shares to be purchased under the Normal Course Issuer Bid will be purchased by the Filer with the remainder to be purchased by TELUS; no Common Shares will be purchased by the Filer during any internal trading blackout periods, including regularly scheduled quarterly blackout periods, when TELUS would not otherwise be permitted to trade in its Common Shares;

15. all Common Shares purchased by TELUS under the Normal Course Issuer Bid will be cancelled; Common Shares purchased by the Filer will be donated as they are purchased to the Foundation and, in any event, all such Common Shares will be purchased prior to November 13, 2018;

16. the purchases of Common Shares by the Filer will be made in accordance with the requirements of exemptions from the Issuer Bid Requirements set out in section 4.8 of NI 62-104 and may also be made in accordance with the requirements of the exemption from the Issuer Bid Requirements set out in section 4.7 of NI 62-104 (such exemptions, the Issuer Bid Exemptions);

17. the purchase of Common Shares by the Filer will constitute an indirect "issuer bid" by TELUS for the purposes of NI 62-104 to which the Issuer Bid Requirements would apply;

18. the Filer will be a "joint actor" with TELUS and the Issuer Bid Requirements would apply to purchases of Common Shares by the Filer, unless an exemption is available; however the Issuer Bid Exemptions are available only to the "issuer", and for purposes of such exemptions, "issuer" does not include the Filer;

19. but for the fact that the Common Shares will be purchased by the Filer, TELUS could otherwise acquire Common Shares to donate to the Foundation in reliance on the Issuer Bid Exemptions;

20. the purchase of Common Shares by TELUS and the Filer under the Normal Course Issuer Bid will not adversely affect TELUS or the rights of any of TELUS' security holders and it will not materially affect control of TELUS;

21. to the best of TELUS' knowledge, as of July 24, 2018, the "public float" of the Common Shares represented more than 99.86% of all issued and outstanding Common Shares for the purposes of the TSX NCIB Rules;

22. the Common Shares are "highly liquid securities" within the meaning of section 1.1 of Ontario Securities Commission Rule 48-501 *Trading during Distributions, Formal Bids and Share Exchange Transactions* and section 1.1 of the Universal Market Integrity Rules; and

23. the Filer will not purchase, in the aggregate, Common Shares with a fair market value of more than $105 million.

Decision

4 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 Exemptive Relief Requested is granted provided that:

(a) Common Shares purchased by the Filer will be taken into account by TELUS when calculating the maximum annual aggregate limit that is imposed upon the Normal Course Issuer Bid in accordance with the TSX NCIB Rules and the maximum aggregate limit that is imposed upon TELUS in accordance with the exemptions from the Issuer Bid Requirements set out in subsections 4.7(b) and 4.8(3) of NI 62-104;

(b) all purchases of Common Shares under the Normal Course Issuer Bid, whether by TELUS or by the Filer, are made in accordance with the TSX NCIB Rules and any by-laws, rules, regulations or policies of any published markets upon which purchases are carried out, as applicable;

(c) TELUS will report purchases of such Common Shares by TELUS and the Filer to the TSX under the TSX NCIB Rules; and

(d) the Filer does not purchase, in the aggregate, Common Shares with a fair market value of more than $105 million under the Issuer Bid Exemptions.

"Michael L. Moretto"
CPA, CA
Acting Director, Corporate Finance
British Columbia Securities Commission

2.1.2 B.E.S.T. Investment Counsel Limited and B.E.S.T. Total Return Fund Inc.

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – revocation of existing exemptive relief from incentive fee requirement contained in s 7.1 of NI 81-102 – granting of exemptive relief from incentive fee requirement contained in s 7.1 of NI 81-102 under revised terms – revised terms not substantially different from those granted under previous exemptive relief decision.

Applicable Legislative Provisions

National Instrument 81-102 Investment Funds, section 7.1, and section 19.1.

August 7, 2018

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
B.E.S.T. INVESTMENT COUNSEL LIMITED
(the Filer)

AND

IN THE MATTER OF
B.E.S.T. TOTAL RETURN FUND INC.
(the Fund)

DECISION

Background

The principal regulator in the Jurisdiction has received an application from the Filer on behalf of the Fund for a decision under the securities legislation of the Jurisdiction of the principal regulator (the **Legislation**) (a) exempting the Fund from section 7.1 of National Instrument 81-102 *Investment Funds* (**NI 81-102**) in respect of the proposed Performance Bonus (as defined below) and as disclosed in the Preliminary Prospectus (as defined below) (the **Incentive Fee Relief**) and (b) to revoke and replace the Previous Decision (as defined below) (the **Revocation**) (the Incentive Fee Relief and the Revocation are collectively, the **Requested Relief**).

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

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

(ii) the Filer has provided notice that subsection 4.7(1) of Multilateral Instrument 11-102 *Passport System* (**MI 11-102**) is intended to be relied upon in each of the other provinces of British Columbia, Alberta, Saskatchewan, Manitoba, New Brunswick and Prince Edward Island (the **Other Jurisdictions**).

Interpretation

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

The terms set out below have the following meanings:

Disposition Date means the date the Fund receives the proceeds, whether in cash, securities or other property, from the disposition of an Eligible Investment (as defined below).

Eligible Business means an eligible business as defined in the Ontario Act (as defined below).

Eligible Investment means an eligible investment in an Eligible Business which qualifies as an eligible investment under the Ontario Act and the Federal Act (as such terms are defined below).

Federal Act means the *Income Tax Act* (Canada), as amended.

Investment Advisor means the Filer, in its capacity as investment advisor of the Fund.

Investment Portfolio means, at any point in time, the Eligible Investments of the Fund other than investments in Reserves (as defined below).

Manager means the Filer, in its capacity as manager of the Fund.

Net Asset Value Per Share when used with reference to Class A Shares or Class C Shares, is determined by subtracting the value of the liabilities of the Fund (including any accrued performance fees) and the stated capital of the Class B Shares, from the value of the assets of the Fund and dividing the resulting amount by the total number of outstanding Class A Shares and Class C Shares at the date such value is determined.

Ontario Act means the *Community Small Business Investment Funds Act, 1992* (Ontario), as amended.

Performance Bonus means the bonus that the Manager and the Investment Advisor are entitled to share in as soon as practicable after the Disposition Date of an Eligible Investment based on the gains and income earned from each Eligible Investment.

Previous Decision means the ruling of the Ontario Securities Commission, *Re: RoyNat Canadian Diversified Fund Inc.* dated December 19, 2003.

Reserves has the meaning ascribed by subsection 204.8(1) of the Federal Act and includes money in cash or on deposit with qualified financial institutions, debt instruments of or guaranteed by the Canadian federal government, debt obligations of provincial and municipal governments, Crown corporations and corporations listed on designated Canadian stock exchanges, guaranteed investment certificates issued by Canadian trust companies, and qualified investment contracts.

Representations

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

1. The Fund was incorporated under the *Canada Business Corporations Act* by articles of incorporation dated October 31, 2003, as amended on November 30, 2004 and December 20, 2005. It is registered as a labour-sponsored investment fund corporation under the Ontario Act and as a labour-sponsored venture capital corporation under the Federal Act.

2. The Fund is a mutual fund under the Legislation. The Fund has filed a preliminary prospectus for a distribution of securities in the Jurisdiction and the Other Jurisdictions (the **Preliminary Prospectus**).

3. The Fund is sponsored by the Christian Labour Association of Canada, The Society of Energy Professionals and The International Federation of Professional and Technical Engineers Local 164. Its primary objective is to generate interest and dividend income as well as long-term capital appreciation through investments in a diversified portfolio of small and medium-sized private and public companies.

4. The authorized capital of the Fund consists of an unlimited number of Class A Shares, an unlimited number of Class B Shares and an unlimited number of Class C Shares. The Christian Labour Association of Canada owns the one issued and outstanding Class B Share. All of the Class C Shares are owned by John M.A. Richardson, the Chief Executive Officer of the Fund.

5. The Filer acts as the Fund's Manager and Investment Advisor and provides investment advisory services to the Fund and sources and monitors its investments.

6. The Preliminary Prospectus discloses amendments to (a) the annual management fee (**Management Fee**), (b) the annual investment advisory fee (**Investment Advisory Fee**) and (c) the Performance Bonus, if any, payable by the

Fund to the Manager which compensation has not been amended since the Fund's inception (these amendments are referred to collectively as the **Fee Changes**).

7. The Fee Changes will:

   (a) reduce the Management Fee to 1% of the aggregate Net Asset Value Per Share attributable to the Class A Shares. This change represents a simplification of the Management Fee structure, which is currently the sum of 1.5% of the Net Asset Value Per Share attributable to the Class A Shares up to $100 million and 1.25% of the Net Asset Value Per Share attributable to the Class A Shares above that threshold;

   (b) simplify and reduce the Investment Advisory Fee to 1% of the aggregate Net Asset Value Per Share attributable to the Class A Shares. The Investment Advisory Fee is currently 2% of the Net Asset Value Per Share of the Class A Shares up to $100 million and 1.75% of the Net Asset Value Per Share attributable the Class A Shares above that threshold; and

   (c) amend the Performance Bonus by lowering the hurdle rates specifying the level of performance that must be achieved before the Manager and Investment Advisor are eligible to receive any Performance Bonus, as follows:

      (i) the hurdle requiring the Fund as a whole to have generated a return more than 2% above the average annual rate of return of the five-year Guaranteed Investment Certificates (**GICs**) offered by a Schedule I Canadian chartered bank will be reduced to require the Fund to outperform such GICs by 0.75%;

      (ii) the requirement that the Fund must have recouped an amount equal to all of the principal invested in a particular investment prior to paying the Performance Bonus on any full or partial disposition will remain unchanged; and

      (iii) the hurdle requiring an individual realised investment to have earned a compounded annual rate of return that equals or exceeds 12% per annum before the Manager and Investment Advisor are entitled to receive the Performance Bonus with respect to the realization of that investment, will be reduced to require a compounded annual rate of return that equals or exceeds 6% per annum.

8. The calculation of the Performance Bonus that the Manager and Investment Advisor are entitled to receive once those hurdles have been surpassed, will be modified as follows:

   (a) the Investment Advisor will receive all gains and income earned on a particular investment in excess of a 6% compounded annual rate of return up to and including an amount representing an 8% compounded annual rate of return calculated beginning on the later of September 1, 2018 or the date of the acquisition of such investment by the Fund. This reduces the rate of return that must be achieved on a particular investment before the Investment Advisor is entitled to payment of 100% of such gains and income earned on such particular investment, which is currently calculated based on all gains and income earned on the particular investment in excess of a 12% compounded annual rate of return up to and including a 15% compounded annual rate of return; and

   (b) all gains and income earned on a particular investment in excess of an 8% compounded annual rate of return calculated beginning on the later of September 1, 2018 or the date of the acquisition of such investment by the Fund, will be allocated 16% to the Investment Advisor, 4% to the Manager and 80% to the Fund. This represents a reduction of the threshold at which the Investment Advisor and the Manager participate in such gains and income earned on a particular investment, from the current threshold of a 15% compounded annual rate of return.

9. Under the proposed compensation structure in paragraph 7 and 8 above, neither the Manager nor the Investment Advisor shall be entitled to receive the Performance Bonus amount with respect to a particular investment, unless the following conditions precedent are met:

   (a) the total net realized and unrealized gains and income from the Fund from its portfolio of Eligible Investments since inception must have generated a return greater than the average annual rate of return on five-year GICs offered by a Schedule I Canadian chartered bank plus 0.75%;

   (b) the compounded annual rate of return (including realized and unrealized gains and income) from the particular Eligible Investment since its acquisition by the Fund must equal or exceed 6% per annum; and

(c) the Fund must have recouped an amount equal to all principal invested in the particular Eligible Investment.

10. The Performance Bonus is payable as soon as practicable after the Disposition Date of an Eligible Investment. The Fund will not pay the Performance Bonus on any partial dispositions of an Eligible Investment unless and until the Fund receives (from all dispositions of that investment on a cumulative basis) an amount equal to at least the full amount of the principal invested in the Eligible Investment.

11. The Fee Changes were described in detail in the management information circular of the Fund dated January 31, 2018 delivered in connection with the annual and special meeting held on February 28, 2018 (the **Meeting**) to approve the amendments to the Performance Bonus. They also appear in the blackline of the Preliminary Prospectus marked to show changes from the Fund's prospectus dated December 16, 2016.

12. The Filer believes that the recalibration of the Fund's fee structure under the Fee Changes reflects current market and interest rate conditions, making the Fund more marketable while improving the net yield for holders of Class A Shares as the size of the Fund grows. The Fee Changes reduce the Fund's Management Fee and Investment Advisory Fee (i.e. the fixed portion of the compensation) from a current aggregate of 3.5% to 2% and provide the Filer with the potential for increased deferred, contingent compensation through the Performance Bonus.

13. The proposed changes will apply to the Performance Bonus calculation on and after September 1, 2018. The current Performance Bonus hurdles and thresholds will continue to apply prior to that date and will be carried forward.

14. The original Performance Bonus was approved by the Ontario Securities Commission by way of the Previous Decision.

15. Section 7.1 of NI 81-102 provides that a mutual fund shall not pay, or enter into arrangements that would require it to pay, and no mutual fund shall be sold on the basis that an investor would be required to pay, a fee that is determined by the performance of the mutual fund, unless the calculation and payment of the fee complies with paragraphs 7.1(a), (b) and (c). Paragraph 7.1(a) requires that the fee be calculated with reference to a benchmark or index. Paragraph 7.1(b) requires that the payment of the fee be based on a comparison of the cumulative total return of the mutual fund against the cumulative total percentage increase or decrease of the benchmark or index for the period that began immediately after the last period for which the performance fee was paid. Paragraph 7.1(c) requires that the method of calculation of the fee and details of the composition of the benchmark or index are described in the prospectus of the mutual fund.

16. Like the original Performance Bonus in respect of which exemptive relief was granted under the Previous Decision, the amended Performance Bonus does not conform to the requirements of paragraphs 7.1(a) and (b) of NI 81-102. In particular, the Performance Bonus is not determined in relation to a benchmark and is not based on the total return of the Fund.

17. The Fund is a labour-sponsored investment fund; a labour-sponsored investment fund is designed to allow and encourage the public to invest in a vehicle that makes venture capital investments. The making of venture capital investments is substantially different from the types of investments generally made by public mutual funds.

18. Except for the reduction of the hurdle rates described in paragraph 7 above and the reduction of the payment thresholds described in paragraph 8 above, the Performance Bonus remains unchanged from the Previous Decision. Under the amended Performance Bonus, the Fund will still have to outperform the rate of return on five-year GICs offered by a Schedule I Canadian chartered bank on a portfolio-wide basis, recoup an amount equal to the principal invested in an individual realized investment, and have earned in excess of a specified annualized rate of return on that investment before any Performance Bonus is payable in respect of an individual investment.

19. The Performance Bonus is appropriate in light of the nature of venture capital investing and is consistent with those commonly used in the venture capital industry, and in particular, in private venture capital funds. The Fund's board of directors believes that the Fund needs to be able to continue to offer an incentive fee arrangement similar to those of other venture capital funds in order to incentivize and to attract and retain the necessary professional expertise to be able to carry out the Fund's objectives and maximize shareholder returns.

20. The proposed changes to the Performance Bonus were reviewed and recommended by the Fund's independent review committee and unanimously approved at the Meeting by the holders of Class A Shares and the holder of the Class B Share, voting together as a class.

21. The final prospectus for the Fund will:

(a) disclose that the Manager and Investment Advisor consider the Performance Bonus appropriate given the investment objectives and strategies of the Fund;

(b) provide an explanation of why the Performance Bonus is appropriate for the Fund; and

(c) provide an explanation of the Performance Bonus calculation for partial dispositions of an Eligible Investment.

22. The Filer believes that the proposed Performance Bonus changes are fair and reasonable and in the best interests of the Fund and its shareholders for the following reasons:

(a) the changes reflect current interest rate and market conditions;

(b) the Filer is voluntarily reducing the Management Fee and Investment Advisory Fee from a current aggregate of 3.5% to 2% per annum, which will result in a lower management expense ratio;

(c) the Performance Bonus changes together with the reduction of the Management Fee and Investment Advisory Fee should make the Fund more marketable and increase the potential of the Fund to raise additional capital;

(d) the Filer intends to start actively marketing the Class A Shares again in 2018. Although the Performance Bonus is expected to increase as a result of the proposed Fee Changes, as the size of the Fund grows, the lower Management Fee and Investment Advisory Fee are expected to more than offset that increase and significantly improve the net yield to holders of Class A Shares as a result of the lower management expense ratio; and

(e) the Filer has agreed to reimburse any investor that wishes to redeem Class A Shares on or after September 1, 2018 up to and including November 15, 2018 for the amount of any redemption withholding incurred under the Federal Act in connection with such redemption. This will allow any investor that disagrees with the Performance Bonus changes to redeem their Class A Shares without penalty.

23. The Filer respectfully submits that the Fee Changes are in the best interests of the Fund and its shareholders.

Decision

The decision of the principal regulator under the Legislation is that the Requested Relief is granted, provided that:

A. Prior to September 1, 2018:

(a) The Management Fee will be an annual amount equal to 1.50% of the aggregate Net Asset Value Per Share attributable to the Class A Shares on the first $100 million of the aggregate Net Asset Value Per Share attributable to the Class A Shares and 1.25% of the aggregate Net Asset Value Per Share attributable to the Class A Shares on the aggregate Net Asset Value Per Share attributable to the Class A Shares in excess of $100 million.

(b) The Investment Advisory Fee will be an annual amount equal to 2% of the aggregate Net Asset Value Per Share attributable to the Class A Shares on the first $100 million of the aggregate Net Asset Value Per Share attributable to the Class A Shares and 1.75% of the aggregate Net Asset Value Per Share attributable to the Class A Shares on the aggregate Net Asset Value Per Share attributable to the Class A Shares in excess of $100 million.

(c) The Manager and the Investment Advisor are entitled to share in the Performance Bonus as soon as practicable after the Disposition Date of an Eligible Investment based on the gains and income earned from each Eligible Investment. No Performance Bonus shall be paid by the Fund in respect of the realization of an Eligible Investment, unless on the Disposition Date of such Eligible Investment:

(i) the total net realized and unrealized gains and income from the Fund from its portfolio of Eligible Investments since inception must have generated a return greater than the average annual rate of return on five-year GICs offered by a Schedule I Canadian chartered bank plus 2%;

(ii) the compounded annual rate of return (including realized and unrealized gains and income) from the particular Eligible Investment since its acquisition by the Fund must equal or exceed 12% per annum; and

(iii) the Fund must have recouped an amount equal to all principal invested in the particular Eligible Investment.

The Fund will not pay the Performance Bonus on any partial dispositions of an Eligible Investment unless and until the Fund receives (from all dispositions of that investment on a cumulative basis) an amount equal to at least the full amount of the principal invested in the Eligible Investment.

Provided that the payment of the Performance Bonus does not reduce returns to shareholders on the Investment Portfolio below the thresholds outlined in (i)-(iii) above, the proceeds from the disposition of each particular Eligible Investment in each calendar quarter of the Fund, after deducting the costs of such investment and the proceeds of disposition paid to the Fund, shall be allocated and paid as follows:

(i) the Investment Advisor shall receive all gains and income earned from each particular Eligible Investment in excess of the 12% compounded annual rate of return contemplated in (ii) above, up to and including an amount representing a 15% compounded annual rate of return earned from the particular Eligible Investment.

(ii) all gains and income earned on each particular Eligible Investment in excess of a 15% compounded annual rate of return earned from the particular Eligible Investment shall be allocated and paid in the following proportions:

(A) 16% to the Investment Advisor; and

(B) 4% to the Manager.

The Fund will retain the other 80% of such gains and income.

The Performance Bonus will be calculated and paid quarterly in arrears based upon realized gains, calculated on the last day of the last month of each calendar quarter.

B. On and after September 1, 2018:

(a) The Management Fee will be an annual amount equal to 1.0% of the aggregate Net Asset Value Per Share attributable to the Class A Shares.

(b) The Investment Advisory Fee will be an annual amount equal to 1.0% of the aggregate Net Asset Value Per Share attributable to the Class A Shares.

(c) The Manager and the Investment Advisor are entitled to share in the Performance Bonus as soon as practicable after the Disposition Date of an Eligible Investment based on the gains and income earned from each Eligible Investment. No Performance Bonus shall be paid by the Fund in respect of the realization of an Eligible Investment, unless on the Disposition Date of such Eligible Investment:

(i) The total net realized and unrealized gains and income from the Fund from its portfolio of Eligible Investments for the period (A) since inception to August 31, 2018 must have generated a return greater than the average annual rate of return on five-year GICs offered by a Schedule I Canadian chartered bank plus 2% and (B) commencing on September 1, 2018 must have generated a return greater than the average annual rate of return on five-year GICs offered by a Schedule I Canadian chartered bank plus 0.75%;

(ii) The compounded annual rate of return (including realized and unrealized gains and income) from the particular Eligible Investment for the period (A) since its acquisition by the Fund to August 31, 2018 must equal or exceed 12% per annum and (B) commencing on September 1, 2018 must equal or exceed 6% per annum from the later of September 1, 2018 or the date of its acquisition by the Fund; and

(iii) The Fund must have recouped an amount equal to all principal invested in the particular Eligible Investment.

The Fund will not pay the Performance Bonus on any partial dispositions of an Eligible Investment unless and until the Fund receives (from all dispositions of that investment on a cumulative basis) an amount equal to at least the full amount of the principal invested in the Eligible Investment.

Provided that the payment of the Performance Bonus does not reduce returns to shareholders on the Investment Portfolio below the thresholds outlined in (i)-(iii) above, the proceeds from the disposition

of each particular Eligible Investment in each calendar quarter of the Fund, after deducting the costs of such investment and the proceeds of disposition paid to the Fund, shall be allocated and paid as follows:

(i) The Investment Advisor shall receive all gains and income earned from each particular Eligible Investment for the period (A) since its acquisition to August 31, 2018 in excess of the 12% compounded annual rate of return contemplated in (ii) above, up to and including an amount representing a 15% compounded annual rate of return earned from the particular Eligible Investment and (B) commencing on September 1, 2018, the Investment Advisor receives all gains and income earned from each particular Eligible Investment in excess of the 6% compounded annual rate of return contemplated in (ii) above, up to and including an amount representing an 8% compounded annual rate of return from the particular Eligible Investment from the later of September 1, 2018 or the date of its acquisition by the Fund.

(ii) All gains and income earned on each particular Eligible Investment for the period (A) since its acquisition to August 31, 2018 in excess of a 15% compounded annual rate of return earned from the particular Eligible Investment and (B) commencing on September 1, 2018 in excess of an 8% compounded annual rate of return earned from the particular Eligible Investment from the later of September 1, 2018 or the date of its acquisition by the Fund, shall be allocated and paid in the following proportions:

(I) 16% to the Investment Advisor; and

(II) 4% to the Manager.

The Fund will retain the other 80% of such gains and income.

The Performance Bonus will be calculated and paid quarterly in arrears based upon realized gains, calculated on the last day of the last month of each calendar quarter.

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

2.1.3 Kew Media Group Inc.

Headnote

Multilateral Instrument 11-102 Passport System and National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions National Instrument 62-104, Part 6 Take-Over Bids and Issuer Bids - Exemption from the formal take-over bid requirements - An issuer wants relief so that the take-over bid thresholds are calculated based on the aggregate number of common shares outstanding, rather than for each class of common shares - The issuer is subject to foreign ownership restrictions in its governing federal legislation; the issuer implemented a dual class share structure solely for compliance with foreign ownership restrictions in the aviation industry; both classes of shares are freely tradable, have identical economic attributes and are automatically and mandatorily inter-convertible based on the shareholder's Canadian or non-Canadian status; shareholders will calculate their ownership position by combining the outstanding classes of shares for the purposes of determining whether take-over bid requirements are triggered.

National Instrument 62-104, Part 6 Take-Over Bids and Issuer Bids - Early warning relief - An issuer wants relief so that the early warning thresholds are calculated based on the aggregate number of common shares outstanding, rather than for each class of common shares - The issuer is subject to foreign ownership restrictions in its governing federal legislation; the issuer implemented a dual class share structure solely for compliance with foreign ownership restrictions in the aviation industry; both classes of shares are freely tradable, have identical economic attributes and are automatically and mandatorily inter-convertible based on the shareholder's Canadian or non-Canadian status; shareholders will calculate their ownership position by combining the outstanding classes of shares for the purposes of determining whether early warning requirements are triggered.

National Instrument 62-104, Part 6 Take-Over Bids and Issuer Bids - Exemption from the formal take-over bid requirements - News release relief - An issuer wants relief so that the threshold triggering the requirement on an acquiror to file a news release during a take-over bid or an issuer bid is calculated based on the aggregate number of common shares outstanding, rather than for each class of common shares - The issuer is subject to foreign ownership restrictions in its governing federal legislation; the issuer implemented a dual class share structure solely for compliance with foreign ownership restrictions in the aviation industry; both classes of shares are freely tradable, have identical economic attributes and are automatically and mandatorily inter-convertible based on the shareholder's Canadian or non-Canadian status; acquirors will calculate their ownership position by combining the outstanding classes of shares for the purposes of determining whether the requirement to file a news release during a take-over bid or issuer bid is triggered.

National Instrument 62-103, s. 11.1 The Early Warning System and Related Take-Over Bid and Insider Reporting Issues - Alternative reporting relief - An issuer wants relief so that an eligible institutional investor subject to early warning requirements may rely on alternative eligibility criteria from those set forth in section 4.5 of NI 62-103 in order to benefit from the exemption contained in section 4.1 of NI 62-103 - The issuer is subject to foreign ownership restrictions in its governing federal legislation; the issuer implemented a dual class share structure solely for compliance with foreign ownership restrictions in the aviation industry; both classes of shares are freely tradable, have identical economic attributes and are automatically and mandatorily inter-convertible based on the shareholder's Canadian or non-Canadian status; eligible institutional investors will calculate their ownership position by combining the outstanding classes of common shares for the purposes of determining whether they are eligible for the reporting exemption in s. 4.1 of NI 62-103.

National Instrument 51-102, s. 13.1 - Continuous Disclosure Obligations - Continuous disclosure relief - An issuer wants relief so that it can provide disclosure on significant shareholders in its information circular on a combined basis, rather than for each class of common shares - The issuer is subject to foreign ownership restrictions in its governing federal legislation; the issuer implemented a dual class share structure solely for compliance with foreign ownership restrictions in the aviation industry; both classes of shares are freely tradable, have identical economic attributes and are automatically and mandatorily inter-convertible based on the shareholder's Canadian or non-Canadian status; the issuer will provide disclosure on holders of its voting securities on a combined basis in its information circular.

Applicable Legislative Provisions

National Instrument 62-104 Take-Over Bids and Issuer Bids, Part 2, ss. 5.2, 5.4 and 6.1.
National Instrument 62-103 The Early Warning System and Related Take-Over Bid and Insider Reporting Issues, ss. 4.1, 4.5 and 11.1.
National Instrument 51-102 Continuous Disclosure Obligations, s. 13.1.

July 25, 2018

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
KEW MEDIA GROUP 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 of the principal regulator (the "**Legislation**") that, subject to the conditions of this Decision:

(a) an offer to acquire either outstanding variable voting shares of the Filer (the "**Variable Voting Shares**") or outstanding common voting shares of the Filer (the "**Common Voting Shares**", and collectively with the Variable Voting Shares, the "**Shares**"), which in either case would constitute a take-over bid under the Legislation as a result of the securities subject to the offer to acquire, together with the offeror's securities of that class, representing in the aggregate 20% or more of the outstanding Variable Voting Shares or Common Voting Shares, as the case may be, at the date of the offer to acquire, be exempt (the "**TOB Relief**") from Part 2 of National Instrument 62-104 – *Take-Over Bids and Issuer Bids* ("**NI 62-104**");

(b) an acquiror who triggers the disclosure and filing obligations pursuant to the early warning requirements contained in the Legislation with respect to either the Variable Voting Shares or Common Voting Shares, as the case may be, be exempt from such requirements (the "**Early Warning Relief**");

(c) an acquiror who acquires, during a take-over bid or an issuer bid, beneficial ownership of, or control or direction over, either Variable Voting Shares or Common Voting Shares, that, together with the acquiror's securities of that class, would constitute 5% or more of the outstanding Variable Voting Shares or Common Voting Shares, as the case may be, be exempt from the requirement in section 5.4 of NI 62-104 to issue and file a news release (the "**News Release Relief**"); and

(d) the Filer be exempt from the disclosure requirements in Item 6.5 of Form 51-102F5 – *Information Circular* of National Instrument 51-102 – *Continuous Disclosure Obligations* (the "**Alternative Disclosure Relief**" and, collectively with the TOB Relief, the Early Warning Relief and the News Release Relief, the "**Exemption Sought**").

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

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

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

Interpretation

Terms defined in National Instrument 14-101 – *Definitions*, National Instrument 62-103 – *The Early Warning System and Related Take-Over Bid and Insider Reporting Issues* ("**NI 62-103**"), NI 62-104 and MI 11-102 have the same meaning if used in this decision, unless otherwise defined herein.

Representations

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

1. The Filer was incorporated on November 3, 2015 as a special purpose acquisition corporation under the *Business Corporations Act* (Ontario) for the purpose of effecting an acquisition of one or more businesses or assets, by way of a merger, amalgamation, arrangement, share exchange, asset acquisition, share purchase, reorganization, or any other similar business combination involving the Filer.

2. The head office and registered office of the Filer is located at 672 Dupont Street, Suite 400, Toronto, Ontario, M6G 1Z6.

3. On March 20, 2017, the Filer completed its qualifying acquisition (the "**Qualifying Acquisition**") under Part X of the TSX Company Manual, which was comprised of the acquisition of the following six content companies: Content Media Corporation plc; Architect Films Inc.; Bristow Global Media Inc.; Frantic Films Corporation; Media Headquarters Film & Television Inc.; and Our House Media Inc.

4. The Filer is a reporting issuer in all of the Provinces and Territories of Canada and is not in default of any requirement of the securities legislation in the jurisdictions in which it is a reporting issuer. The Filer is also not in default of the requirements of the TSX Company Manual.

5. The Filer's business involves continuously assessing acquisitions and divestitures, with a view to enacting a media and entertainment sector roll-up to form a large international media content company. Including the companies acquired pursuant to the Qualifying Acquisition, the Filer has acquired twelve production and distribution companies to date and is soon to complete the acquisition of an independent content production platform.

6. The Filer finances a significant portion of its production budgets from federal and provincial governmental agencies and incentive programs, including, in some cases, the Canada Media Fund, provincial film equity investment and incentive programs, federal tax credits and provincial tax credits, and other investment and incentive programs. In order to qualify for such film and television incentives, among other requirements, the Filer's production companies need to verify to the applicable Canadian film and television incentive authorities that they are each ultimately Canadian-controlled under the *Investment Canada Act* (the "**ICA**").

7. The ICA establishes a number of rules and presumptions (the "**Canadian Status Rules**") for determining who is a Canadian for purposes of the ICA. For example, under the Canadian Status Rules, the Filer would not be considered to be a Canadian if one non-Canadian or two or more members of a voting group who are non-Canadians own 50% or more of the voting shares of the Filer. Furthermore, because the Filer and many of its companies are each engaged in a "cultural business" in Canada (i.e., film production and distribution) even if the Filer is considered to be "Canadian" under the normal Canadian Status Rules, the Minister of Canadian Heritage (the "**Minister**") has the discretion to determine that the Filer is controlled in fact by one or more non-Canadians based on any information or evidence submitted to the Minister. The ICA further sets out various rebuttable "presumptions", one of which is that if a non-Canadian was ever to acquire less than a majority, but one-third or more of the voting shares of the Filer, the non-Canadian would be presumed to have thereby acquired control in fact of the Filer under the ICA, "unless it can be established that, on the acquisition, the corporation is not controlled in fact by the acquirer through the ownership of voting shares".

8. As a multi-faceted media company, the Filer may in the future become engaged in broadcasting activities that result in it being regulated under the *Broadcasting Act* (Canada) (the "**Broadcasting Act**") and having to comply with the Canadian ownership and control requirements as set out in the *Direction to the CRTC (Ineligibility of Non-Canadians)* (the "**Direction**").

9. The implementation of a variable voting structure therefore serves two purposes for the Filer. The first is to help satisfy the Canadian control requirements under the ICA and the second is to satisfy the Canadian ownership and control requirements under the Broadcasting Act.

10. The legal requirements relating to Canadian ownership and control of broadcasting undertakings are embodied in the Direction, which is a direction from the Governor in Council (i.e., Cabinet of the Canadian federal government) to the Canadian Radio-television and Telecommunications Commission (the "**CRTC**") pursuant to authority contained in the Broadcasting Act. Pursuant to the Direction, the CRTC may not issue, amend or renew a broadcasting licence to an applicant that is controlled by a non-Canadian. In order for a corporation to qualify as a "Canadian", non-Canadians are permitted to own and control, directly or indirectly, up to 33 1/3% of the voting shares and up to 33 1/3% of the votes of a holding company which has a subsidiary operating company licensed under the Broadcasting Act. Additional ownership restrictions apply to a subsidiary licensee under the Direction and would be applicable to the Filer at such

time as it acquired an entity that is a licensee under the Broadcasting Act or applied for a licence under the Broadcasting Act. While the Direction does not include any explicit restrictions on the number of non-voting shares that may be held by non-Canadians, the level of total equity ownership is relevant to the analysis of "control in fact" or "effective control" of both the licensee subsidiary and its holding company that would be undertaken by the CRTC.

11. At the annual and special meeting of the Filer held on June 14, 2018, shareholders of the Filer approved an amendment to the articles of the Filer to authorize the conversion of all Class B shares of the Filer owned by Canadians to Common Voting Shares, and to convert all Class B shares of the Filer owned by non-Canadians to Variable Voting Shares. Also on June 14, 2018, the Filer filed articles of amendment to implement the variable voting structure.

12. As part of the amendment to the articles of the Filer, the Filer created a class of preferred shares (the "**Preferred Shares**"), issuable in series, none of which have been issued to date, but will be available for future issuance. The Preferred Shares provide the Filer with greater flexibility to raise capital in the future and enable the Filer to take additional steps to ensure compliance with the Direction, if necessary. The Filer will monitor the number of Variable Voting Shares outstanding and, if the non-Canadian ownership threshold may be exceeded, could issue Preferred Shares to Canadians that carry voting rights but do not have any economic entitlements. The Filer could also issue Preferred Shares to ensure continued compliance with the provisions of both the ICA and the Broadcasting Act, in the event that the Filer satisfies the Canadian ownership and control requirements as set out in the Direction, but does not also satisfy the Canadian control requirements under the ICA. The Filer has provided a written undertaking to the Ontario Securities Commission regarding future issuances of Preferred Shares.

13. The Common Voting Shares can only be held, beneficially owned and controlled, directly or indirectly, by Canadians (within the meaning of the Direction for the purposes of the Broadcasting Act). An outstanding Common Voting Share will be converted into one Variable Voting Share, automatically and without any further act of the Filer or the holder, if such Common Voting Share becomes held, beneficially owned or controlled, directly or indirectly, by a person who is not a Canadian.

14. The Variable Voting Shares can only be held, beneficially owned or controlled, directly or indirectly, by persons who are not Canadians. An outstanding Variable Voting Share will be converted into one Common Voting Share, automatically and without any further act of the Filer or the holder, if such Variable Voting Share becomes held, beneficially owned or controlled, directly or indirectly, by a Canadian.

15. Each Common Voting Share and Variable Voting Share confers the right to one vote, unless: (i) the number of votes that may be exercised in respect of all issued and outstanding Variable Voting Shares equals or exceeds thirty-three and one third percent (33 1/3%) of the total number of votes that may be exercised in respect of all issued and outstanding Variable Voting Shares and Common Voting Shares (or any greater percentage that would qualify the Filer as a "Canadian" for the purposes of the Broadcasting Act); or (ii) the total number of votes cast by or on behalf of the holders of Variable Voting Shares at any shareholder meeting on any matter on which a vote is to be taken equals or exceeds thirty-three and one-third percent (33 1/3%) (or any greater percentage that would qualify the Filer as a "Canadian" for the purposes of the Broadcasting Act) of the total number of votes that may be cast at such meeting. If either of the above noted thresholds would be surpassed at any time, the vote attached to each Variable Voting Share will decrease automatically and without further act or formality such that: (i) the Variable Voting Shares as a class do not carry more than thirty-three and one-third percent (33 1/3%) (or any greater percentage that would qualify the Filer as a "Canadian" for the purposes of the Broadcasting Act) of the total voting rights attached to the aggregate number of issued and outstanding Variable Voting Shares and Common Voting Shares; and (ii) the total number of votes cast by or on behalf of holders of Variable Voting Shares at any meeting does not equal or exceed thirty-three and one-third percent (33 1/3%) (or any greater percentage that would qualify the Filer as a "Canadian" for the purposes of the Broadcasting Act) of the total number of votes that may be cast at the meeting.

16. Aside from the differences in voting rights stated above, the Variable Voting Shares and Common Voting Shares are the same in all other respects, including with regard to the right to receive dividends and the right to receive the property and assets of the Filer in the event of dissolution, liquidation or winding up of the Filer.

17. The articles of amendment of the Filer contain coattail provisions pursuant to which (i) Variable Voting Shares will be converted into Common Voting Shares in the event of a formal take-over bid for the Common Voting Shares which is not also available to the holders of Variable Voting Shares; and (ii) Common Voting Shares will be converted into Variable Voting Shares in the event of a formal take-over bid for the Variable Voting Shares which is not also available to the holders of Common Voting Shares.

18. The Variable Voting Shares and the Common Voting Shares of the Filer are listed on the Toronto Stock Exchange under one ticker symbol.

19. The Filer's dual class structure was implemented to help satisfy the Canadian control requirements under the ICA and the Canadian ownership and control requirements under the Broadcasting Act; it has no other purpose.

20. An investor does not control or choose which class of Shares it acquires and holds. There are no unique features of either class of Shares which an existing or potential investor can choose to acquire, exercise or dispose of. The class of Shares ultimately available to an investor is solely a function of the investor's Canadian or non-Canadian status. Moreover, if after having acquired Shares, a holder's Canadian or non-Canadian status changes, the Shares will convert accordingly and automatically.

21. The Variable Voting Shares are not considered "restricted voting securities" or "restricted voting shares" for the purposes of the Legislation.

Decision

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

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

(a) the Filer publicly discloses the terms of the Exemption Sought in a news release filed on SEDAR promptly following the issuance of this Decision;

(b) the Filer discloses the terms and conditions of the Exemption Sought in all of its annual information forms and management information circulars filed on SEDAR following the issuance of this Decision and in any other filing where the characteristics of the Shares are described;

(c) with respect only to the TOB Relief, the Variable Voting Shares or Common Voting Shares, as the case may be, subject to the offer to acquire of an offeror, together with the Variable Voting Shares and Common Voting Shares beneficially owned, or over which control or direction is exercised, by the offeror or by any person acting jointly or in concert with the offeror, would not constitute, at the date of the offer to acquire, in the aggregate 20% or more of the outstanding Variable Voting Shares and Common Voting Shares on a combined basis;

(d) with respect only to the Early Warning Relief,

(i) the acquiror complies with the early warning requirements, except that, for the purpose of determining the percentage of outstanding Variable Voting Shares or Common Voting Securities, as the case may be, that the acquiror has acquired or disposed of beneficial ownership, or acquired or ceased to have control or direction over, the acquiror calculates the percentage using (A) a denominator comprised of all of the outstanding Variable Voting Shares and Common Voting Shares, determined in accordance with subsection 1.8(2) of NI 62-104, on a combined basis, as opposed to a per-class basis, and (B) a numerator including, as acquiror's securities, all of the Variable Voting Shares and Common Voting Shares that constitute acquiror's securities; or

(ii) in the case of an acquiror that is an eligible institutional investor, the acquiror complies with the requirements of the alternative monthly reporting system set out in Part 4 of NI 62-103 to the extent it is not disqualified from filing reports thereunder pursuant to section 4.2 of NI 62-103, except that, for purposes of determining the acquiror's securityholding percentage, the acquiror calculates its securityholding percentage using (A) a denominator comprised of all of the outstanding Variable Voting Shares and Common Voting Shares, determined in accordance with subsection 1.8(2) of NI 62-104, on a combined basis, as opposed to a per-class basis, and (B) a numerator including all of the Variable Voting Shares and Common Voting Shares owned or controlled by the eligible institutional investor;

(e) with respect only to the News Release Relief, the Variable Voting Shares or Common Voting Shares, as the case may be, that the acquiror acquires beneficial ownership of, or control or direction over, together with the securities of the Filer beneficially owned, or over which control or direction is exercised, by the acquiror or any person acting jointly or in concert with the acquiror, would not constitute 5% or more of the outstanding Variable Voting Shares and Common Voting Shares, as the case may be, calculated using (A) a denominator comprised of all of the outstanding Variable Voting Shares and Common Voting Shares, determined in accordance with subsection 1.8(2) of NI 62-104, on a combined basis, as opposed to a per-class basis, and (B) a numerator including as acquiror's securities, all of the Variable Voting Shares and Common Voting Shares that constitute acquiror's securities;

(f) with respect only to the Alternative Disclosure Relief, the Filer provides the disclosure required by Item 6.5 of Form 51-102F5, except that for purposes of determining the percentage of voting rights attached to the Variable Voting Shares or Common Voting Shares, the Filer calculates the voting percentage using (A) a denominator comprised of all of the outstanding Variable Voting Shares and Common Voting Shares on a combined basis, as opposed to a per-class basis, and (B) a numerator including all of the Variable Voting Shares and Common Voting Shares beneficially owned, or over which control or direction is exercised, directly or indirectly, by any person who, to the knowledge of the Filer's directors or executive officers, beneficially owns, controls or directs, directly or indirectly, voting securities carrying 10% or more of the voting rights attached to the outstanding Variable Voting Shares and Common Voting Shares on a combined basis.

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

2.1.4 Purpose Investments Inc. et al.

Headnote

National Policy 11-203 Process For Exemptive Relief Applications in Multiple Jurisdictions – Approval of investment fund mergers – approval required because the mergers do not meet the criteria for pre-approved reorganizations and transfers in National Instrument 81-102 – the fundamental investment objectives and fee structures of certain terminating funds and continuing funds are not substantially similar – certain mergers will not be "qualifying exchanges" or tax-deferred transactions under the Income Tax Act (Canada) – securityholders of certain terminating funds not permitted to redeem their securities prior to the date of the mergers – unitholders of the terminating funds are provided with timely and adequate disclosure regarding the mergers.

Applicable Legislative Provisions

National Instrument 81-102 Investment Funds, paragraph 5.5(1)(b) and subsection 19.1.

August 10, 2018

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

AND

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

AND

IN THE MATTER OF
PURPOSE INVESTMENTS INC.
("Purpose")

AND

REDWOOD UNCONSTRAINED BOND FUND,
REDWOOD UNCONSTRAINED BOND CLASS,
REDWOOD GLOBAL INFRASTRUCTURE INCOME FUND
(FORMERLY MACQUARIE GLOBAL INFRASTRUCTURE INCOME FUND),

AND

LIMITED DURATION INVESTMENT GRADE PREFERRED SECURITIES FUND
(each a "Terminating Fund" and, collectively, the "Terminating Funds")

AND

PURPOSE FLOATING RATE INCOME FUND
(FORMERLY REDWOOD FLOATING RATE INCOME FUND AND
FORMERLY VOYA FLOATING RATE SENIOR LOAN FUND),
PURPOSE DIVERSIFIED REAL ASSET FUND, AND
PURPOSE US PREFERRED SHARE FUND
(FORMERLY REDWOOD U.S. PREFERRED SHARE FUND)
(each a "Continuing Fund" and, collectively, the "Continuing Funds")

DECISION

Background

The Ontario Securities Commission (the "**Decision Maker**") has received an application from Purpose on behalf of the Terminating Funds and the Continuing Funds (each a "**Fund**" and, collectively, the "**Funds**") for a decision of the Decision

Maker granting approval, pursuant to section 5.5(1)(b) of National Instrument 81-102 - *Investment Funds* ("**NI 81-102**"), of the proposed mergers as outlined in Appendix A (each a "**Merge**r" and, collectively, the "Mergers") of the Terminating Funds into the corresponding Continuing Funds (the "**Approval Sought**").

Under National Policy 11-203 - *Process for Exemptive Relief Applications in Multiple Jurisdictions* ("**NP 11-203**"):

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

(b) Purpose 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 British Columbia, Alberta, Saskatchewan, Manitoba, Québec, New Brunswick, Newfoundland and Labrador, Nova Scotia, Prince Edward Island, Northwest Territories, Nunavut and Yukon (together with Ontario, the "**Jurisdictions**").

Interpretation

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

Representations

The decision is based on the following facts represented by Redwood:

Redwood and Fund Information

1. Purpose is a corporation amalgamated under the *Business Corporations Act* (Ontario) with its head office located in Toronto, Ontario.

2. Purpose is registered as an investment fund manager, portfolio manager and exempt market dealer in Ontario, as an investment fund manager and exempt market dealer in Québec, as an investment fund manager in Newfoundland and Labrador, as an exempt market dealer in Alberta and as an exempt market dealer in British Columbia.

3. Purpose is the manager of each of the Funds and is also the trustee of each of the Trust Funds (as hereinafter defined), other than Redwood Global Infrastructure Income Fund. CIBC Mellon Trust Company is the trustee of Redwood Global Infrastructure Income Fund.

4. Purpose is not in default of any of the requirements of the securities legislation of any of the provinces and territories of Canada.

Fund Formation

5. Redwood Unconstrained Bond Fund (the "**Terminating Trust Fund**") as well as Purpose US Preferred Share Fund (the "**Continuing Trust Fund**", and together with the Terminating Trust Fund, the "**Trust Funds**") are open-ended mutual fund trusts established under the laws of Ontario by declarations of trust (the "**Mutual Fund Declarations of Trust"**) and are governed by the provisions of NI 81-102.

6. Each of Redwood Global Infrastructure Income Fund and Limited Duration Investment Grade Preferred Securities Fund (each a "**Terminating Closed End Fund**", and together, the "**Terminating Closed End Funds**") as well as Purpose Floating Rate Income Fund (the "Continuing Closed End Fund", and together with the Terminating Closed End Funds, the "**Closed End Funds**") are non-redeemable investment funds established under the laws of Ontario by declarations of trust or trust agreement (the "**Closed End Trust Documents**", and together with the Mutual Fund Declarations of Trust, the "Trust Documents") and are governed by the provisions of National Instrument 81-102.

7. Each of Redwood Unconstrained Bond Class (the "**Terminating Corporate Class**") as well as Purpose Diversified Real Asset Fund (the "**Continuing Corporate Class**" and together with the Terminating Corporate Class, the "**Corporate Classes**") are classes of mutual fund shares of a mutual fund corporation (each a "Mutual Fund Corporation", and together, the "**Mutual Fund Corporations**"). Each Corporate Class is an open-ended mutual fund governed by the provisions of NI 81-102.

8. Securities of the Terminating Funds, other than the Terminating Closed End Funds, are currently qualified for sale in each of the provinces and territories of Canada pursuant to simplified prospectuses, annual information forms, funds facts and/or ETF facts documents.

9. Securities of the Closed End Terminating Funds were qualified for distribution in each of the provinces and territories of Canada pursuant to long form prospectuses, annual information forms and are currently listed and traded on the Toronto Stock Exchange ("**TSX**") or the Aequitas NEO Exchange ("**NEO**").

10. Purpose Floating Rate Income Fund is currently a non-redeemable investment fund; however, it is in the process of converting into an open-ended mutual fund and will have been converted into an open-ended mutual fund which offers mutual fund securities and ETF securities as of the Effective Date (as defined below). A preliminary prospectus dated May 17, 2018 in respect of such mutual fund and ETF securities was filed with the applicable Canadian securities regulators.

11. Securities of the Continuing Funds are qualified for sale in each of the provinces and territories of Canada pursuant to simplified prospectuses, annual information forms, funds facts and/or ETF facts, as applicable (collectively, the "**Continuing Fund Offering Documents**").

12. The Terminating Funds and the Continuing Funds are reporting issuers as defined under the applicable securities legislation of each province and territory of Canada and are not in default of any of the requirements of the securities legislation of any of the provinces and territories of Canada.

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

14. The net asset value for each Fund is calculated on a daily basis at the end of each day the TSX or NEO, as applicable, is open for trading in accordance with the Fund's valuation policy and as described in the Funds' offering documents.

Reasons for Merger Approval

15. Purpose has concluded that pre-approval of the Mergers pursuant to section 5.6 of NI 81-102 is not available because:

    (a) the fundamental investment objective of each of the Continuing Funds may not be considered to be "substantially similar" by a reasonable person to the investment objective of each of the corresponding Terminating Funds;

    (b) each Merger, other than the Merger of Limited Duration Investment Grade Preferred Securities into Purpose US Preferred Share Fund, is being conducted on a taxable basis contrary to subsection 5.6(1)(b) of NI 81-102; or

    (c) the securityholders of the Terminating Closed End Funds will not be provided with a right to redeem their units prior to the Effective Date (as defined below). Securityholders of the Terminating Closed End Funds will subsequently be able to trade such units on a designated stock exchange on any business day following the Effective Date.

16. Other than the criteria described above, each Merger complies with all other criteria for pre-approved reorganizations and transfers set out in section 5.6 of NI 81-102.

The Mergers

17. A press release was issued and filed on SEDAR on June 8, 2018, and a material change report was subsequently filed on SEDAR on June 11, 2018, with respect to the proposed Mergers. The simplified prospectus, annual information form, and fund facts for the Terminating Funds were amended to include disclosure with respect to the Mergers in accordance with applicable securities law. For Mergers that are material for a Continuing Fund, amendments to the applicable Continuing Fund Offering Documents were also completed in accordance with applicable securities laws.

18. Except in the case of Purpose Diversified Real Asset Fund, Purpose has concluded that the Mergers are not material to the Continuing Funds, and accordingly, there is no intention to convene a meeting of securityholders of the Continuing Funds, other than as described in paragraph 19, to approve the Mergers pursuant to paragraph 5.1(1)(g) of NI 81-102.

19. Purpose is of the view that the Merger of Redwood Global Infrastructure Income Fund into Purpose Diversified Real Asset Fund will be a material change because it is anticipated that at the time of the Merger, the net asset value of Redwood Global Infrastructure Income Fund will be greater than the net asset value of Purpose Diversified Real Asset Fund. Accordingly, as described below, Purpose intends to convene meetings of the securityholders of each of the Terminating Funds and of Purpose Diversified Real Asset Fund to approve the applicable Mergers pursuant to

paragraph 5.1(1)(g) of NI 81-102 on or about August 16, 2018. Purpose also intends to convene a meeting of the securityholders of Purpose Floating Rate Income Fund (together with Purpose Diversified Real Asset Fund, the "**Voting Continuing Funds**") to approve the applicable Merger pursuant to Purpose Floating Rate Income Fund's Trust Document.

20. A notice of meeting, a management information circular (the "**Circular**"), a form of proxy and a voting instruction form in connection with the special meetings of securityholders was mailed to securityholders of the Terminating Funds and the Voting Continuing Funds and filed on SEDAR on July 26, 2018 (the "**Mailing Date**"). The most recently filed fund facts/ETF facts, as applicable, of a Continuing Fund was included in the meeting materials sent to securityholders of the applicable Terminating Fund.

21. The Circular prepared in connection with the special meetings to approve the Mergers provided a comparison of the fundamental investment objectives, fee structures, other material differences between the Funds, and the tax consequences of the Merger to the Terminating Fund, the Continuing Fund and their securityholders. The Circular also described the various ways in which securityholders can obtain, at no cost, a copy of the simplified prospectus, annual information forms and fund facts and/or ETF facts, as applicable, for the Continuing Funds, their most recent interim and annual financial statements and management reports of fund performance. Accordingly, securityholders of each Terminating Fund and of each Voting Continuing Fund have been provided with sufficient information to make an informed decision about the Mergers.

22. Other than the differences described in the Circular, there are no material differences between a security of a Terminating Fund and the corresponding security of a Continuing Fund that unitholders will receive once the Merger is completed.

23. Purpose will convene special meetings of the securityholders of each Terminating Fund and of each Voting Continuing Fund to seek the approval of securityholders to complete the Mergers (each a "Meeting"). The Meetings will take place on or about August 16, 2018.

24. Purpose will pay for the costs of the Mergers. These costs consist mainly of legal, proxy solicitation, printing, mailing, brokerage costs and regulatory fees.

25. Subject to receipt of necessary regulatory approval and the outcome of the vote of securityholders of each Terminating Fund and of each Voting Continuing Fund with respect to the Mergers, each Merger is anticipated to be effective on or about August 27, 2018 (each an "**Effective Date**").

26. Securities of the applicable Continuing Fund will be issued at the applicable series net asset value per security as of the close of business on the Effective Date. Securities of the applicable Continuing Fund will be distributed to securityholders of the corresponding Terminating Fund in exchange for their securities in the Terminating Fund on a dollar for dollar and series-by-series basis, as applicable.

27. Prior to the Mergers, as required, each Terminating Fund will sell any securities in its portfolio that do not meet the investment objective and investment strategies of the applicable Continuing Fund. As a result, the Terminating 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. Any accumulated loss carry-forwards of the Terminating Fund, as well as any losses arising from the disposition of the assets in its portfolio, will expire at the end of the taxation year during which the Merger occurs and will not be available to be deducted against taxable income, including taxable capital gains arising after the Merger. The Circular provides securityholders with information about such tax implications.

28. The Mergers will be structured substantially as follows:

    (a) The board of directors of Purpose and each of the Mutual Fund Corporations, as applicable, have approved each Merger.

    (b) Pursuant to subsection 5.1(f) of NI 81-102, securityholders of each Terminating Fund approved their respective Mergers.

    (c) Pursuant to subsection 5.1(g) of NI 81-102, securityholders of each Voting Continuing Fund approved their respective Mergers as they constitute a material change for the Continuing Fund. Securityholders of Purpose US Preferred Share Fund are not required to vote on and approve their Merger as such Merger does not constitute a material change for the Continuing Fund.

(d) The Trust Documents governing the Trust Funds and the articles of each of the Mutual Fund Corporations will be amended to permit such actions as are necessary to complete the Mergers.

(e) Prior to the Merger, as required, each Terminating Fund will sell any securities in its portfolio that do not meet the investment objective and investment strategies of the applicable Continuing Fund. As a result, the Terminating 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.

(f) The value of the Terminating Fund's investment portfolio and other assets will be determined at the close of business on the Effective Date in accordance with the constating documents of the Terminating Fund.

(g) Each Terminating Fund and the Continuing Fund will declare, pay and automatically reinvest a distribution to its securityholders of net realized capital gains and net income, if any, to ensure that it will not be subject to tax for its current tax year.

(h) A Terminating Fund's assets and liabilities will be transferred to the respective Continuing Fund. In return, the Continuing Fund will issue to the Terminating Fund securities of the Continuing Fund having an aggregate net asset value equal to the value of the assets transferred to the Continuing Fund.

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

(j) The Terminating Fund will be wound-up as soon as practicable and, in any case, within 30 days following the Merger.

29. Should a Merger receive all required approvals, the right of securityholders of the Terminating Funds, other than Terminating Closed End Funds, to purchase or switch their securities of the Terminating Fund will cease as of the close of business two days prior to the Effective Date. Securityholders will have the right to redeem the securities of a Terminating Fund up to the close of business on the Effective Date.

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

31. Purpose will pay the costs associated with the sale of securities in a Terminating Fund's portfolio that do not meet the investment objective and investment strategies of the applicable Continuing Fund, including brokerage commissions.

32. To the extent that assets remain in a Terminating Fund following the sale of securities in its portfolio that do not meet the investment objective and investment strategies of the applicable Continuing Fund, such assets of a Terminating Fund to be acquired by the Continuing Fund as a result of a Merger will be acceptable to the portfolio advisor of the Continuing Fund prior to the Effective Date and consistent with the investment objective of the Continuing Fund.

33. The right of securityholders of the Terminating Funds, other than Terminating Closed End Funds, to purchase or switch their securities of the Terminating Fund will cease as of the close of business two days prior to the Effective Date. Securityholders will have the right to redeem the securities of a Terminating Fund up to the close of business on the Effective Date.

34. Each Merger, other than the Merger of Limited Duration Investment Grade Preferred Securities into Purpose US Preferred Share Fund (the "**Trust to Trust Tax Deferred Merger**"), will be completed on a taxable basis and will not be a "qualifying exchange" or other form of tax-deferred transaction under the *Income Tax Act* (Canada) (the "**Tax Act**").

35. The Trust to Trust Tax Deferred Merger will be a "qualifying exchange" under the Tax Act. Accordingly, the disposition of units of the Terminating Fund in connection with the Trust to Trust Tax Deferred Merger will be effected on a tax deferred "rollover" basis for unitholders of the Terminating Fund.

36. Pursuant to National Instrument 81-107 - *Independent Review Committee for Investment Funds*, the independent committee of the Funds (the "**IRC**") will review the proposed Mergers as a potential "conflict of interest" matter and the process to be followed in connection with each such Mergers and will determine if the Mergers will achieve a fair and reasonable result for each Fund. The determination of the IRC will be disclosed in the Circular.

37. Purpose believes that the Merger will be beneficial to securityholders of each of the Funds for the following reasons:

(a) Although the investment objectives of a Terminating Fund may not be substantially similar to its corresponding Continuing Fund, Purpose submits that each Terminating Fund has a similar investment mandate as its corresponding Continuing Fund. As a result, each Merger will contribute towards reducing duplication and redundancy across the Purpose fund line-up and may potentially reduce the administrative and regulatory operating costs and expenses associated with the Terminating Funds.

(b) Each Merger has the potential to lower costs for securityholders as the operating costs and expenses of the Continuing Fund will be spread over a greater pool of assets when the Terminating Funds merge into the Continuing Fund, potentially resulting in a lower management expense ratio for the Continuing Fund than may occur otherwise. Management fees of each series of each Continuing Fund will be the same or lower as those of the corresponding series of a Terminating Fund. No securityholder of the Terminating Funds will be subject to an increase in management fees as a result of the Mergers.

(c) Each Continuing Fund will have an asset base of greater size, potentially allowing for increased portfolio diversification opportunities and a smaller proportion of assets set aside to fund redemptions. The ability to improve diversification may lead to increased returns and a reduction of risk, while at the same time creating a higher profile that may attract more investors.

(d) Each Continuing Fund is expected to attract more assets as marketing efforts will be concentrated on a single fund, rather than multiple funds with similar investment mandates. The ability to attract assets to the Continuing Fund will benefit investors by ensuring that the Continuing Fund is a viable, long-term, attractive investment vehicle for existing and potential investors.

Decision

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

The decision of the Decision Maker under the Legislation is that the Approval Sought is granted provided securityholders of each Terminating Fund and each Voting Continuing Fund approve the applicable Mergers.

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

APPENDIX "A"

TERMINATING FUND	CONTINUING FUND
Redwood Unconstrained Bond Fund	Purpose Floating Rate Income Fund *(formerly Redwood Floating Rate Income Fund and formerly Voya Floating Rate Senior Loan Fund)*
Redwood Unconstrained Bond Class	Purpose Floating Rate Income Fund *(formerly Redwood Floating Rate Income Fund and formerly Voya Floating Rate Senior Loan Fund)*
Redwood Global Infrastructure Income Fund *(formerly Macquarie Global Infrastructure Income Fund)*	Purpose Diversified Real Asset Fund
Limited Duration Investment Grade Preferred Securities Fund	Purpose US Preferred Share Fund *(formerly Redwood U.S. Preferred Share Fund)*

2.1.5 Professionals' Financial – Mutual Funds Inc. and FDP US Dividend Equity Portfolio

Headnote

Policy Statement 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – merger approval required because merger does not meet one criterion for pre-approval – continuing fund has different investment objectives than terminating fund –merger to otherwise comply with pre-approval criteria, including unitholder vote, IRC approval – unitholders provided with timely and adequate disclosure regarding the merger.

Applicable Legislative Provisions

Regulation 81-102 respecting Investment Funds, paragraphs 5.5(1)(b), 5.6, 5.7(1)(b) and 19.1.

[Translation]

August 03, 2018

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
PROFESSIONALS' FINANCIAL – MUTUAL FUNDS INC.
(the Filer)

AND

FDP US DIVIDEND EQUITY PORTFOLIO
(the Terminating Fund)

DECISION

Background

The securities regulatory authority or regulator in each of the Jurisdictions (**Decision Maker**) has received an application from the Filer for a decision under the securities legislation of the Jurisdictions (the **Legislation**) approving the proposed merger (the Merger) of the Terminating Fund into FDP US Index Equity Portfolio (the **Continuing Fund**) pursuant to paragraph 5.5(1)(b) of Regulation 81-102 *respecting Investment Funds*, CQLR, c. V-1.1, r. 39 (**Regulation 81-102**) (the **Approval Sought**).

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

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

(b) the Filer has provided notice that subsection 4.7(1) of Regulation 11-102 *respecting Passport System*, CQLR V-1.1, r. 1 (**Regulation 11-102**) is intended to be relied upon in New Brunswick (together with Québec and Ontario, the Filing Jurisdictions), and

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

Interpretation

Terms defined in Regulation 14-101 respecting Definitions, CQLR, c. V-1.1, r. 3, Regulation 11-102, Regulation 81-106 respecting Investment Fund Continuous Disclosure, CQLR, c. V-1.1, r. 42 (**Regulation 81-106**), and Regulation 81-107

respecting Independent Review Committee for Investment Funds, CQLR, c. V-1.1, r. 43 (**Regulation 81-107**) have the same meaning if used in this decision, unless otherwise defined. The following additional terms shall have the following meanings:

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

IRC means the independent review committee for the Funds.

Representations

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

General

1. The Filer is a corporation incorporated under the laws of Québec with its head office in Montréal, Québec.

2. The Filer is registered as an investment fund manager in Québec and Ontario, and as a mutual fund dealer, a portfolio manager and a derivatives portfolio manager in Québec.

3. The Filer acts as the investment fund manager of the Funds.

The Funds

4. The Funds are open-ended mutual funds established as trusts under the laws of Québec.

5. Series A units of each of the Funds are currently qualified for distribution in each of the Filing Jurisdictions under a simplified prospectus dated May 24, 2018, as amended by an amendment no. 1 dated June 6, 2018, an annual information form dated May 24, 2018, as amended by an amendment no. 1 dated June 6, 2018, and fund facts dated June 6, 2018 (collectively, the Offering Documents).

6. Each of the Funds is a reporting issuer under the applicable securities legislation of the Filing Jurisdictions.

7. Neither the Filer nor the Funds are in default under the securities legislation of any of the Filing Jurisdictions.

Reason for Approval Sought

8. Regulatory approval of the Merger is required because the Merger does not satisfy all of the criteria for pre-approved reorganizations and transfers set out in section 5.6 of Regulation 81-102. In particular, the fundamental investment objectives of the Continuing Fund are not, or may be considered not to be, substantially similar to the investment objectives of the Terminating Fund.

9. Except as described above, the Merger will otherwise comply with all of the other criteria for pre-approved reorganizations and transfers set out in section 5.6 of Regulation 81-102.

The Merger

10. The Filer intends to merge the Terminating Fund into the Continuing Fund, effective on or about August 31, 2018 (the **Merger Date**).

11. The Filer is of the view that the Merger will constitute a “material change” for the Continuing Fund.

12. Unitholders of the Terminating Fund and unitholders of the Continuing Fund will be asked to approve the Merger at meetings to be held on or about August 27, 2018.

13. The Filer will pay for the costs of the Merger. The Funds will bear none of the costs and expenses associated with the transaction.

14. No sales charges will be payable in connection with the acquisition by the Continuing Fund of the investment portfolio of the Terminating Fund.

15. Units of the Funds are offered without commission or sales or redemption charges.

16. Unitholders of the Terminating Fund will continue to have the right to redeem units of the Terminating Fund at any time up to the close of business on the business day immediately before the Merger Date.

Unitholder Disclosure

17. In accordance with section 11.2 of Regulation 81-106, a press release announcing the Merger was issued and filed via SEDAR on June 6, 2018. Amendments to the Offering Documents dated June 6, 2018 and a material change report also dated June 6, 2018 with respect to the Merger have been filed via SEDAR.

18. In accordance with section 5.3 of Regulation 81-107, the Filer presented the potential conflict of interest matters relating to the Merger to the IRC. The IRC reviewed the potential conflict of interest matter related to the Merger and on June 7, 2018, provided its positive recommendation for the Merger, after determining that the Merger, if implemented, would achieve a fair and reasonable result for the Funds.

19. As required by section 12.2 of Regulation 81-106, the Filer has sent an information circular and proxy-related materials (the **Meeting Materials**) to the unitholders of the Funds commencing on or about July 16, 2018. The fund facts relating to Series A of the Continuing Fund have also been sent to unitholders of the Terminating Fund commencing on or about July 16, 2018. Additionally, the Meeting Materials were concurrently filed via SEDAR and posted on the Filer's website.

20. The Meeting Materials provide unitholders of the Funds with sufficient information to enable them to make an informed decision as to whether or not to approve the Merger.

Merger Steps

21. The Merger of the Terminating Fund into the Continuing Fund will be structured as follows:

    (a) The Terminating Fund will transfer all (or substantially all – 90% or more) of its property to the Continuing Fund at the Merger Date. As a result, the Terminating Fund will recognize any unrealized capital losses at the transfer time, which may be offset by electing to recognize any or all of its unrealized gains at that time. The Continuing Fund will recognize any unrealized capital losses at the transfer time, which may be offset by electing to recognize any or all of its unrealized gains at that time.

    (b) 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 declaration of trust of the Terminating Fund.

    (c) The Continuing Fund will acquire the assets of the Terminating Fund in exchange for units of the Continuing Fund.

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

    (e) The units of the Continuing Fund received by the Terminating Fund will have an aggregate value equal to the aggregate value of the assets acquired by the Continuing Fund from the Terminating Fund, and the units 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.

    (f) The Terminating Fund will distribute to its unitholders a sufficient amount of its net income and net realized capital gains, if any, to ensure that the fund will not be subject to tax for its taxation year during which occurs the Merger Date.

    (g) Immediately thereafter, the units of the Terminating Fund will be redeemed at their series net asset value and such amount will be paid to unitholders of the Terminating Fund on a dollar for dollar basis by way of the transfer of units of an equivalent series of the Continuing Fund to each Terminating Fund unitholder.

    (h) As soon as possible after the Merger, the Terminating Fund will be wound up.

22. The assets of the Terminating Fund to be acquired by the Continuing Fund to effect the Merger are currently or will, on the Merger Date, be acceptable to the portfolio manager of the Continuing Fund and are, or will be, consistent with the investment objective of the Continuing Fund.

23. The result of the Merger will be that unitholders of the Terminating Fund will cease to be unitholders of the Terminating Fund and will become unitholders of the Continuing Fund. The Continuing Fund will continue as a publicly-offered open-ended mutual fund.

Benefits of Merger

24. The Filer believes that the Merger will be beneficial to unitholders of the Terminating Fund and Continuing Fund for the following reasons:

    (a) the Merger will enable a decrease in operating costs as the assets under management of the Continuing Fund will double;

    (b) the Merger will allow the addition of a complementary strategy which could improve the diversification of the Continuing Fund and decrease the volatility of returns;

    (c) the Continuing Fund, as a result of its greater size, will benefit from a larger profile in the marketplace by potentially attracting more investors and enabling it to maintain a "critical mass";

    (d) unitholders of the Terminating Fund will receive units of the Continuing Fund that have a management fee that is the same as, or lower than, that charged in respect of the series of units of the Terminating Fund that they currently hold;

    (e) the Filer expects that the Merger will result in a more streamlined product offering that is easier for investors to understand.

25. The Approval Sought is not detrimental to the protection of investors.

Decision

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

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

"Lucie J. Roy"
Senior Director Corporate Finance
Autorité des marchés financiers

2.1.6 Coast Capital Savings Credit Union

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Dual application for Exemptive Relief Applications – Exemption from the prospectus requirement for a federally regulated credit union to distribute membership shares to prospective customers – Filer is a federal credit union subject to a comprehensive scheme of regulation and supervision as a Schedule 1 bank under the Bank Act (Canada) – in order to provide savings deposit services to customers, the customers must become members of the credit union by acquiring a set number of membership shares – Filer cannot rely on existing provincial credit union exemption under local securities legislation – Exemptive relief is analogous to existing exemption available to provincial credit unions under local securities legislation.

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c.S.5, as am. ss. 53, 73.1(6) and 74(1).

July 11, 2018

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

and

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

AND

IN THE MATTER OF
COAST CAPITAL SAVINGS CREDIT UNION
(the Filer)

DECISION

Background

1 The securities regulatory authority or regulator in each of the Jurisdictions (Decision Maker) has received an application from the Filer for a decision under the securities legislation of the Jurisdictions (the Legislation) that grants the Filer an exemption (the Exemption Sought) from the prospectus requirement for the distribution of the Filer's Class A Equity Shares to prospective members of the Filer, which exemption would be available to the Filer after its continuance as a federal credit union under the *Bank Act* (the Bank Act).

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

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

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

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

Interpretation

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

Representations

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

1. the Filer is a credit union incorporated under the *Credit Union Incorporation Act* (British Columbia) and its head office is located in Surrey, British Columbia;

2. the Filer is not in default under applicable securities legislation in any jurisdiction of Canada;

3. the Filer is a member-owned financial cooperative with a business focused on day-to-day banking, investments and personal and business lending in the Province of British Columbia;

4. historically, credit unions in Canada have been incorporated and regulated provincially with their operations limited to the territory of the incorporating province;

5. currently the Filer relies on the exemption from the prospectus requirement set out in BC Instrument 45-531 *Exemptions for shares or deposits of a credit union* in order to distribute its membership shares; the term "credit union" is defined in the *Interpretation Act* (British Columbia) to mean a credit union authorized to carry on business under the *Financial Institutions Act* (British Columbia);

6. securities legislation in Ontario and other jurisdictions of Canada contain local exemptions from the prospectus requirement that are only available to credit unions organized and regulated under the legislation of that jurisdiction;

7. in 2010, the Government of Canada enacted legislation under the Bank Act allowing credit unions to continue federally and operate nationally;

8. the federal credit union provisions of the Bank Act enable a provincially organized credit union, such as the Filer, to continue as a federal credit union under the Bank Act and operate nationally under the supervision and oversight of the Office of the Superintendent of Financial Institutions, the federal financial institutions regulator;

9. under the Bank Act, a federal credit union, like provincial credit unions, must be organized and carry on business on a cooperative basis and provide financial services primarily to its members; ownership of membership shares is a requirement for membership in a federal credit union;

10. the Filer wishes to continue as a federal credit union under the Bank Act in order to have the ability to conduct its operations throughout Canada;

11. upon continuance to the federal jurisdiction, the Filer will change its name to "Coast Capital Savings Federal Credit Union";

12. upon continuance, the Filer will be a Schedule I bank under the Bank Act;

13. the Filer's capital structure includes Class A Equity Shares (Membership Shares); a holder of Membership Shares that holds the requisite Membership Shares may become a member of the Filer; each member is entitled to one vote on a resolution at a general meeting of the Filer; upon a liquidation, dissolution or winding up of the Filer, holders of Membership Shares are, subject to the prior rights of Class P Non-Equity Securities and all other classes of Equity Shares (other than Class D Equity Securities), entitled to (a) share rateably with holders of Class D Equity Shares in the value of the Filer's gross common equity tier 1 capital; and (b) the remaining property of the Filer; dividends are payable on the Membership Shares at the discretion of the board of the Filer and are non-cumulative;

14. ownership of Membership Shares is a membership requirement before the Filer can provide services to potential customers and are issued only at the start of the customer relationship in order for the customer to become a member of the Filer; members are issued five Membership Shares for an issue price to be determined by the board of the Filer (currently $1 per Membership Share); and

15. after continuance as a federal credit union under the Bank Act, the Filer will no longer be able to rely on the exemptions from the prospectus requirement set out in Canadian securities legislation available to provincially organized credit unions.

Decision

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

The decision of the Decision Makers under the Legislation is that the Exemption Sought is granted provided that the Filer continues as a federal credit union under the Bank Act and remains regulated as a federal credit union by the Office of the Superintendent of Financial Institutions.

"Andrew S. Richardson"
Acting Director, Corporate Finance
British Columbia Securities Commission

2.2 Orders

2.2.1 Klondex Mines Unlimited Liability Company

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., ss., s. 1(10)(a)(ii).

August 9, 2018

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
KLONDEX MINES UNLIMITED LIABILITY COMPANY
(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, Saskatchewan, Manitoba, Ontario, New Brunswick, Prince Edward Island, Nova Scotia and Newfoundland and Labrador, 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.

"Michael L. Moretto"
Acting Director, Corporate Finance
British Columbia Securities Commission

2.2.2 Majd Kitmitto et al.

File No.: 2018-9

IN THE MATTER OF
MAJD KITMITTO,
STEVEN VANNATTA,
CHRISTOPHER CANDUSSO AND
CLAUDIO CANDUSSO

Mark J. Sandler, Commissioner and Chair of the Panel

August 13, 2018

ORDER

WHEREAS on August 13, 2018, the Ontario Securities Commission held a confidential conference at the offices of the Commission, located at 20 Queen Street West, 17th Floor, Toronto, Ontario;

ON HEARING the submissions of the representatives for Staff of the Commission (**Staff**) and for Majd Kitmitto, Christopher Candusso, and Claudio Candusso, and Steven Vannatta on his own behalf;

IT IS ORDERED THAT:

1. pursuant to Rule 20 of the Commission's *Rules of Procedures and Forms* (2017), 40 OSCB 8988, and at request of the parties, a confidential conference shall he held on November 14, 2018 at 9:00 a.m., and the parties may, but are not required to, file materials with the Registrar in advance for use at the confidential conference, which materials shall remain confidential.

"Mark J. Sandler"

2.2.3 Alio Gold (US) Inc.

Headnote

National Policy 11-206 Process for Cease to be a Reporting Issuer Applications – Application for an order than the issuer is not a reporting issuer under applicable securities laws – issuer in default of securities legislation - relief granted.

Applicable Legislative Provisions

Securities Act (Ontario), ss. 1(10)(a)(ii).

August 7, 2018

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
ALIO GOLD (US) INC.
(the Filer)

ORDER

Background

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

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

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

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

2. the Filer's head office is located in Vancouver, British Columbia;

3. the Filer's capital structure consists of an unlimited number of common shares without par value and an unlimited number of preferred shares without par value;

4. on May 25, 2018, all of the common shares of the predecessor company of the Filer, Rye Patch Gold Corp. (Rye Patch), were acquired by Alio Gold Inc. by way of a plan of arrangement under the BCBCA;

5. pursuant to a plan of arrangement under the BCBCA, Alio Gold Inc. sold all of the common shares of Rye Patch to 1164410 B.C. Ltd. in exchange for 100,000 common shares of 11664410 B.C. Ltd. in accordance with section 85 of the *Income Tax Act* (Canada);

6. following the acquisition of Rye Patch by 1164410 B.C. Ltd., Rye Patch and 1164410 B.C. Ltd. amalgamated and continued as the Filer;

7. Rye Patch's common shares were delisted from the TSX Venture Exchange on May 30, 2018;

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

9. 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;

10. 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;

11. 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;

12. the Filer is not in default of securities legislation in any jurisdiction, other than the obligation of the Filer to file on or before May 30, 2018 its interim financial statements and related management's discussion and analysis for the interim period ended March 31, 2018 as required under National Instrument 51-102 *Continuous Disclosure Obligations* and the related certificates as required under National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings* (collectively, the Filings); and

13. the Filer is not eligible to use the simplified procedure under National Policy 11-206 *Process for Cease to be a Reporting Issuer Applications* as it is in default for failure to file the Filings.

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.

"Michael L. Moretto", CFA, CA
Acting Director, Corporate Finance
British Columbia Securities Commission

2.2.4 North Halton Golf & Country Club – s. 74(1)

Headnote

Section 53, and subsection 74(1) of the Act – certain sales, transfers, and issuances of Class G Common Shares of issuer not subject to prospectus requirements of the Act, subject to conditions

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c.S.5, as am. ss. 53, and 74(1).

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

AND

IN THE MATTER OF
NORTH HALTON GOLF & COUNTRY CLUB

ORDER
(Subsection 74(1))

UPON the application (the **Application**) of North Halton Golf & Country Club Limited (the **Club**) to the Ontario Securities Commission (the **Commission**) for an order pursuant to subsection 74(1) of the Act that the prospectus requirements of Section 53 of the Act (the **Prospectus Requirements**) shall not apply to certain trades in securities of the Club, as described below;

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

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

Background

1. The Club was incorporated as a corporation with share capital under the *Corporations Act* (Ontario) (the **OCA**) in 1954 and was continued as a corporation under the *Canada Business Corporations Act* (the **CBCA**) on June 6, 2008 (the **Continuance**). The Club amalgamated with NH Equity Corp. in 2011. The Club is not a "private company" within the meaning of the Act and is not a "private issuer" within the meaning of National Instrument 45-106 *Prospectus Exemptions* (**NI 45-106**). The Club is not, and does not intend to become, a reporting issuer under the Act or under the securities legislation of any other Canadian jurisdiction. The shares of the Club are not traded on any stock exchange. The Club is a "for profit" corporation.

2. On February 22, 2008, the Commission issued an Order under subsection 74(1) of the Act exempting the Club from the Prospectus Requirements subject to certain conditions. On March 1, 2013 the Commission issued an amended order to permit the Club to make certain amendments to its By-law that were inconsistent with the Order issued in 2008 (the **Current Order**).

3. The Club wishes to further amend its By-law (the **Amended By-law**) and certain of the proposed amendments to the By-law are inconsistent with the Current Order.

4. The Club has applied to revoke and replace the Current Order with this Order.

Capital

5. The authorized share capital of the Club currently consists of:

   (a) 375 Class A Common Shares. The holders of Class A Common Shares are entitled to receive notice of and to attend all meetings of the shareholders of the Club and are entitled to one vote for each Class A Common Share held. On a winding up or liquidation of the Club, each Class A Common Share will be immediately converted into one Class G Common Share and 10 Class X Preference Shares. Class A Common Shares are not transferable. In order to transfer a Class A Common Share, the holder of a Class A Common Share will be

required to exchange that Class A Common Share for one Class G Common Share and 10 Class X Preference Shares;

(b) 625 Class G Common Shares which rank *pari passu* with the Class A Common Shares as to the payment of dividends and the right to vote at meetings of the shareholders of the Club. The Class A Common Shares and the Class G Common Shares represent equity ownership of the Club and, upon conversion of all of the Class A Common Shares, the Class G Common Shares will represent the entire equity ownership of the Club;

(c) 3750 Class X Preference Shares which are non-voting and non-transferable, bear a 4% annual cumulative dividend and are redeemable by the Club and retractable by the holder at $1,000 per Share. The redemption right and the retraction right are currently exercisable.

The Club does not intend to create additional Class A Common Shares.

6. Each holder of a Class A Common Share is entitled (but not required) to exchange (the **Class A Exchange Right**) that Class A Common Share for one Class G Common Share and 10 Class X Preference Shares. Upon such exchange, the Class A Common Share will be cancelled.

7. Under the Current Order new adult golf-playing members of the Club are required to purchase one Class G Common Share. Existing holders of Class G Common Shares who hold Class X Preference Shares who wish to purchase a Class G Common Share for a "Family Golf Member" (i.e., a spouse, a common law spouse, a child or a grandchild, including a spouse of the child or grandchild, that is or will become, upon issue of the Class G Common Share, a golf member that pays annual golf fees) (the **Family Membership Subscription Credit**) are entitled to surrender up to 10 of their Class X Preference Shares to the Club in partial consideration for such purchase and will receive a credit of up to $10,000 ($1,000 per Class X Preference Share surrendered) against the amount payable in respect of such Class G Common Share. Any Class X Preference Shares so surrendered will be cancelled.

8. Purchases of Class G Common Shares by new members may be made: (a) from the Club (**Treasury Issue**); or (b) from another member or non-member shareholder (the **Inter-Shareholder Transfer**), subject to the approval of the Board of Directors of the Club (the **Board**). The first 150 Class G Common Shares sold to new members, following the Continuance were issued by the Club. The Board has established policies and procedures governing the issue/transfer of Class G Common shares to new members.

Trading in securities of the Club

9. The Club has considered whether, under National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations* (**NI 31-103**) and the Act, it could be considered to be engaged in or holding itself out as engaging in the business of trading in securities and therefore required to register as a dealer, rely on another exemption from the dealer registration requirement or seek exemptive relief from the dealer registration requirement. In light of the particular facts and circumstances of the Club, and having considered the guidance in section 1.3 of the Companion Policy to NI 31-103, the Club has concluded that it should not be considered to be engaged in registrable activities and therefore does not require relief from the registration requirement of the Act.

Changes to the By-law

10. The change to the Club's existing By-law contemplated by the Amended By-law which requires an amendment to the Current Order is as follows: at present the By-law provides that a Transfer Fee of 20% of the price at which Class G Shares are then being issued by the Club must be paid to the Club on the transfer of a Class G Share by a shareholder other than a selling or transferring member: (x) who acquired the Class G Common Share being sold or transferred pursuant to the Class A Exchange Right under the Continuance; or (y) who was a golf member before November 1, 2005, subscribed for the Class G Share prior to July 21, 2008 and has owned the Class G Share for more than four years. Such selling or transferring members are only required to pay a fee to cover administrative costs associated with the transfer in an amount to be determined by the Board from time to time. The Club has determined that in the case where a Class G Shareholder has incurred a loss on the sale of his or her share, the transfer fee should also be a nominal administrative fee in an amount to be determined by the Board.

11. In addition, the By-law is being amended as follows:

(a) Section 1.01: Definition of "Membership Fees": This definition has been revised to include references to other fees and levies that may be made by the Board of the Club from time to time.

(b) Section 8.02: Certain of the revisions that were made to this section in June of 2017 have been deleted as they are no longer relevant as they refer to the determination by the shareholders as to whether or not to sell

the Club. Specifically, the commencement of the permissible length of the "trial member" was tied to the earlier of November 1, 2018 or "the date the shareholders determine whether or not to sell the property of the Club". As the determination not to sell was made, the date of "October 4, 2017" has been substituted.

(c) Section 8.06: Clarifying amendments re: the age ranges for Intermediate Golf Members.

(d) Section 8.08: Changes similar to the ones made in Section 8.02 and for the same purpose.

(e) Section 9.03: Amendments to provide clarity regarding the requirement for shareholders to pay Membership Fees and to provide relief from the Membership Fees in certain circumstances. Specifically, the provision confirms that all Class G Shareholders who became golf members before November 1, 2005 must pay Membership Fees commencing October 31, 2017. All Class G shareholders who became golf members after November 1, 2005 must pay Membership Fees immediately. However, a "resigning member" who is 75 or older may elect to pay only 20% of the assessed Membership Fees provided that when such member's Class G Share reaches the top of the sale list such member must sell the share if the price offered is not less than the average of the last three private sales or the price at which the Club is selling Class G Shares from treasury. The Section also clarifies that a resigning member may also avail him/herself of the other fee mitigating provisions of the By-law including the "leave of absence" policy and the share "licensing" provision.

(f) Sections 9.04 and 12.02: Clarifying amendments to these sections to confirm that if the holder of a Class A Share or a Class G Share has never been a golf member they are not subject to the payment of Membership Fees (unless they become a golf member) and may become a social member, at no cost, upon application.

(g) Section 13.02: Revised to provide the Board with the power, on majority vote, to expel or suspend members or to bar from attendance at the Club's premises any member or non-member shareholder, in the event certain determinations as to conduct are made by the Board. The section clarifies that the provision shall not affect the right of a shareholder to attend meetings of the Club.

(h) Section 13.09: Amendment to clarify that the Board may, on application of a golfing member, grant a leave of absence and a reduction in Membership Fees payable during that leave of absence in accordance with the leave of absence policies then in effect.

(i) Section 14.01: The provision has been amended to allow (subject to Board approval) licensing of a membership for up to two years provided that: (A) the licensor has been a member for at least one year; (B) the term of such licence is not greater than two years; (C) the licensor has not licensed his or her Class G Common Share more than two years in any five year period; (D) the licensee agrees to pay all charges incurred by the licensee, their guests and family members while using the Club's facilities; and (E) the fee payable to the licensor for the licensing of the Class G Common Share does not exceed the amount of the annual membership fee which the licensor would otherwise be required to pay. During that period, the licensee is liable for the Membership Fees.

(j) Section 14.04: Sets limits on the number of Class G Shares any corporate entity may own at 3, except in the case of companies that held four or more shares prior to July 21, 2008.

(k) Sections 15.08 and 15.09: The Club has determined to suspend sales of Class G Shares from Treasury for an indefinite period in order to reduce the number of shares sought to be sold by existing shareholders. These sections have been amended to reflect a revised rotation system. Potential purchasers of Class G Shares will be referred to the persons at the top of a list of non-golfing members (List 1) and a list of golfing members (List 2) who in each case wish to sell their Class G Share in rotation commencing with the shareholder at the top of List 1. When sales from treasury resume, the rotation will be: List 1, Treasury, List 2, Treasury, List 1 and so on. Shareholders on the Lists (except retiring shareholders who have elected not to pay full Membership Fees) may elect not to sell. If they so elect, they retain their position on the List.

12. The Club believes that the requested relief is necessary as:

(a) the trades outlined in paragraphs (a) through (c) below will not be made to "accredited" investors (as such term is defined in NI 45-106) in every case where such a trade is made; (ii) the Club is not entitled to rely on the exemption provided in Paragraph 2.38 of NI 45-106 and it does not appear that any of the other exemptions set forth in NI 45-106 will be available in respect of such trades;

(b) the ability of the Club to sell Class G Common Shares to new and existing golf members including sales pursuant to the Family Membership Subscription Credit, the Subscription Plan and the ability to conduct a limited licensing program is essential to the continued existence of the Club;

(c) the ability of the Club to provide incentives to potential members in the form of the Trial Membership and the Subscription Plan is essential to attracting new members; and

(d) under the Current Order all amendments to the Articles or By-laws of the Club must be approved by the Director.

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

IT IS ORDERED, pursuant to subsection 74(1) of the Act, that the Prospectus Requirements shall not apply to:

(a) the issue of Class G Common Shares by the Club to new golf playing members of the Club (including Class G Common Shares issued pursuant to the Family Member Subscription Credit and the Subscription Plan); and;

(b) the sale or transfer of Class G Common Shares to new golf-playing members of the Club or to non-shareholder golf members;

for so long as,

(c) each purchaser or transferee of Class G Common Shares under paragraph (a) or (b) is provided with

i. the By-Laws and Articles of the Club, and all amendments thereto;

ii. the most recent annual audited financial statements of the Club, and a copy of any subsequent interim financial statements;

iii. a copy of this decision; and

iv. a written statement that certain protections, rights and remedies provided by the Act, including statutory rights of rescission and damages, will be unavailable to that purchaser or transferee and that there are restrictions imposed on the disposition or transfer of the Class G Common Shares;

(d) in respect of a sale, transfer or issue under paragraph (a) or (b):

i. the sale, transfer, or issue is approved by the Board;

ii. in respect of a sale under paragraph (a), the Board only gives its approval under subparagraph (i) if it has determined that it is appropriate to approve such a sale or transfer in lieu of issuing new Class G Common Shares from Treasury of the Club,

iii. in respect of a sale or transfer under paragraph (b), the Club charges the transferring member a "transfer fee" in an amount equal to 20% of the last price at which Class G Common Shares were issued by the Club provided however that a selling or transferring member: (x) who acquired the Class G Common Share being sold or transferred pursuant to the Class A Exchange Right under the Continuance; or (y) who was a golf member before November 1, 2005, subscribed for the Class G Share prior to July 21, 2008 and has owned the Class G Share for more than four (4) years; or (z) incurred a loss on the sale of the Class G Common Share, shall only be required to pay a fee to cover administrative costs associated with the transfer in an amount to be determined by the Board from time to time, and

iv. the restrictions in subparagraphs (i), (ii) and (iii) are, at the time of the sale, transfer, or issue, contained in the conditions attached to the Class G Common Shares which form part of the Articles of the Club.

(e) the Club has not issued any securities from Treasury since the Continuance other than Class G Common Shares and Class X Preference Shares;

(f) the By-laws or Articles of the Club require that a new adult golf member of the Club (i) own a Class A Common Share or a Class G Common Share; or (ii) have agreed to subscribe for a Class G Common Share pursuant to the terms of a Subscription Plan that has been approved by the Board; or (iii) be a participant in a trial membership program, the terms of which program have been approved by the Board;

(g) the By-laws and Articles of the Club are not amended without notice to, and the consent of, the Director (as defined in the Act);

(h) the first trade of any Class G Common Shares purchased or acquired pursuant to paragraph (a) or (b) will be a distribution; and

(i) the amendment of the By-laws in the manner described in representations 10 and 11 hereof is approved by the required shareholder vote.

AND IT IS ORDERED that the Current Order is revoked.

DATED at Toronto this 27th of July, 2018.

"Philip Anisman"
Commissioner
Ontario Securities Commission

"Deborah Leckman"
Commissioner
Ontario Securities Commission

2.2.5 Trius Investments Inc. – s. 1(11)(b)

Headnote

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

Statutes Cited

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

July 27, 2018

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

AND

IN THE MATTER OF
TRIUS INVESTMENTS INC.
(the Applicant)

ORDER
(Section 1(11)(b))

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

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

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

1. The Applicant is a corporation incorporated under the *Business Corporations Act* (Alberta) with its registered office at 3700, 400 - 3rd Avenue S.W., Calgary, Alberta T2P 4H2 and head office at 70 Trius Drive, Fredericton, New Brunswick, E3B 5E3.

2. The authorized share capital of the Applicant consists of an unlimited number of common shares (the **Common Shares**) and preferred shares, of which 11,270,841 Common Shares are issued and outstanding as of the date hereof.

3. The Applicant is a reporting issuer under the *Securities Act* (**Alberta**) (the **AB Act**) (since October 2. 1998), the *Securities Act* (**British Columbia**) (the **BC Act**) (since November 9. 1999) and the *Securities Act* (**New Brunswick**) (the **NB Act**) (since November 9. 1999).

4. The Applicant is not currently a reporting issuer in any jurisdiction other than British Columbia, Alberta and New Brunswick.

5. The Applicant's principal regulator is the New Brunswick Financial and Consumer Services Commission, which will continue to be the principal regulator for the Applicant once it has obtained reporting issuer status in Ontario.

6. The Applicant is not on the lists of defaulting reporting issuers maintained pursuant to the BC Act, the AB Act or the NB Act and is not in default of any requirement of either the BC Act, the AB Act or the NB Act or the rules and regulations made thereunder.

7. The continuous disclosure requirements of the BC Act, the AB Act and the NB Act are substantially the same as the continuous disclosure requirements under the Act.

8. The continuous disclosure documents filed by the Applicant under the BC Act, the AB Act and the NB Act since November 15, 1999 are available on the System for Electronic Document Analysis and Retrieval.

9. The Applicant's Common Shares are listed and posted for trading on the TSX Venture Exchange (the **Exchange**) under the trading symbol "TRU". The Applicant's Common Shares are not traded on any other stock exchange or trading or quotation system.

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

11. Pursuant to the policies of the Exchange, a listed-issuer, which is not otherwise a reporting issuer in Ontario, must assess whether it has a "significant connection to Ontario" (as defined in the policies of the Exchange) and, upon becoming aware that it has a significant connection to Ontario, promptly make a bona fide application to the Commission to be deemed a reporting issuer in Ontario

12. The Applicant has determined that it has a significant connection to Ontario as, on November 29, 2017, Resurgent Capital Corp. (**Resurgent**), a private company whose investment decisions are controlled by Mr. Joel Freudman, the president and chief executive officer of the Applicant, acquired an aggregate of 2,000,000 Common Shares of the Applicant from two vendors. Accordingly, Resurgent became the single largest shareholder of the Applicant, controlling approximately 17.7% of the issued and outstanding shares of the Applicant. This acquisition further confirmed that residents of Ontario are the beneficial holders of more than 10% of the Applicant's Common Shares.

13. Additionally, at the Applicant's shareholder meeting held on November 30, 2017, three Ontario residents were elected to the Applicant's board of directors, meaning that a majority of the Applicant's directors are currently resident in Ontario.

14. On May 26, 2018 the Applicant entered into a definitive purchase and sale agreement with an arm's length purchaser, PVR Holdings LLC, whereby Trius will sell its 100% membership interest in its wholly-owned subsidiary TRU Investments LLC (the **Subsidiary Sale**).

15. Following the completion of the Subsidiary Sale, the Applicant will not have any active business operations or assets other than cash and receivables. As a result, the Applicant will cease to meet the listing requirements of the Exchange and its listing may be transferred to NEX.

16. The Applicant is currently considering a transformative transaction such as a reverse take-over, merger, amalgamation and other forms of combinations or transactions similar to the foregoing. To date, the Applicant has not been involved in any discussions and has not entered into any agreements that could be considered a material change in this regard.

17. Other than as set out in Appendix A hereto, neither the Applicant nor any of its officers, directors, nor, to the knowledge of the Applicant or its officers and directors, any shareholder holding sufficient securities of the Applicant to affect materially the control of the Applicant, has:

    (a) been subject to any penalties or sanctions imposed by a court relating to Canadian securities legislation or by a Canadian securities regulatory authority;

    (b) entered into a settlement agreement with a Canadian securities regulatory authority; or

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

18. Other than as set out in Appendix A hereto, neither the Applicant nor any of its officers, directors, nor, to the knowledge of the Applicant or its officers and directors, any shareholder holding sufficient securities of the Applicant to affect materially the control of the Applicant, is or has been subject to:

    (a) any known ongoing or concluded investigations by:

        (i) a Canadian securities regulatory authority; or

        (ii) a court or regulatory body, other than a Canadian securities regulatory authority, that would be likely to be considered important to a reasonable investor making an investment decision; or

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

19. None of the officers or directors of the Applicant, nor, to the knowledge of the Applicant or its officers and directors, any shareholder holding sufficient securities of the Applicant to affect materially the control of the Applicant, is or has been at the time of such event an officer or director of any other issuer which is or has been subject to:

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

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

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

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

"Michael Balter"
Manager, Corporate Finance
Ontario Securities Commission

Appendix A

As announced by the Applicant in a press release dated April 11, 2017, the TSX Venture Exchange (the **Exchange**) conducted a review (the **Review**) of certain of the Applicant's practices and compliance with the Exchange's Corporate Finance Policy (the **Exchange Policy**). Following the Review, the Applicant was placed on Notice to Comply by the Exchange citing the following contraventions of the Exchange Policy with respect to certain related party transactions:

- Sections 6 & 19.2 of Exchange Policy 3.1, Directors, Officers, Other Insiders & Personnel, and Corporate Governance.
- Section 8 of Exchange Policy 3.2 Filing Requirements and Continuous Disclosure.
- Section 3.8(t) of Exchange Policy 3.3 Timely Disclosure.

Since the Exchange completed the Review in October 2016, the Applicant has complied with each of the Exchange's requirements stipulated based on the Review, including, among other things:

1. applying for a change of business under the Exchange Policy from a Tier II Industrial issuer to a Tier II Investment issuer;
2. adopting the following corporate governance policies: (a) corporate investment policy; (b) corporate disclosure policy; and (c) code of business conduct;
3. adjusting the composition of its board of directors to include two independent directors; and
4. certain of the Applicant's directors and officers repaid to the Applicant the aggregate sum of approximately $188,000, in respect of the losses incurred by the Applicant in connection with specific historical related party transactions.

To the best of the Applicant's knowledge, it and its directors and officers are currently compliant with Exchange Policy and applicable securities laws.

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Chapter 3

Reasons: Decisions, Orders and Rulings

3.1 OSC Decisions

3.1.1 Muchoki Fungai Simba

IN THE MATTER OF
MUCHOKI FUNGAI SIMBA
(also previously known as Henderson MacDonald Alexander Butcher)

REASONS AND DECISION

Citation: Simba (Re), 2018 ONSEC 41
Date: 2018-08-08
File No.: 2018-6

Hearing:	In writing	
Decision:	August 8, 2018	
Panel:	D. Grant Vingoe	Vice-Chair and Chair of the Panel
Appearances:	Alvin Qian	For Staff
		No one appeared on behalf of Muchoki Fungai Simba

REASONS AND DECISION

I. OVERVIEW

[1] This is a hearing before the Ontario Securities Commission (the **Commission**) pursuant to sections 127 and 127.1 of the *Securities Act*[1] (the **Act**) to determine whether it is in the public interest to make an order against Muchoki Fungai Simba (**Simba**).

[2] The proceeding arose from a Notice of Hearing issued by the Commission on February 12, 2018, as amended April 4, 2018, and a Statement of Allegations filed by Staff of the Commission (**Staff**) on February 8, 2018 and amended on March 29, 2018 (the **Amended Statement of Allegations**).

[3] In the Amended Statement of Allegations, Staff alleges that Simba engaged in unregistered trading and advising in securities in the account of a retired person, incurring total losses of $56,009.26.

[4] The hearing on the merits in this proceeding was converted to a hearing in writing by Order of the Commission dated April 23, 2018.

[5] The written record is comprised of the Affidavit of Bridget Simard, sworn May 30, 2018[2] and the Affidavit of John Humphreys, sworn May 30, 2018[3], each with accompanying exhibits.

[6] Simba has not appeared or made submissions and indicated to Staff that he did not intend to participate in the hearing process.[4]

[7] Pursuant to subsection 7(2) of the *Statutory Powers Procedure Act*[5], the Commission has jurisdiction to proceed with a hearing in the absence of the respondent when they have been given notice but have not appeared.

[1] RSO 1990, c S.5.

[2] Exhibit 3, Affidavit of Bridge Simard sworn May 30, 2018 [*Simard Affidavit*].

[3] Exhibit 4, Affidavit of John Humphreys sworn May 30, 2018 [*Humphreys Affidavit*].

[4] Exhibit 5, Affidavit of Sharon Nicolaides sworn June 8, 2018, Tab 5.

[5] RSO 1990, c S.22.

II. FACTS

[8] Simba was a resident of Ontario during the Material Time. He has a degree in accounting and finance and has taken the Canadian Securities Course in connection with his past securities licence.[6]

[9] Simba was a former registrant under the Act and had been registered as a salesperson or Dealing Representative of Canfin Magellan Investments Inc. (**Canfin**), a mutual fund dealer, in various categories between 1998 and 2009.[7] He was terminated from his position at Canfin in 2009.[8]

[10] On February 20, 2012, the Mutual Fund Deals Association of Canada (**MFDA**) permanently prohibited Simba from "conducting securities related business in any capacity while in the employ of or associated with any Member of the MFDA", amongst other penalties[9], for engaging in personal financial dealings with a client by borrowing money and failing to repay or otherwise account for the money, failing to return all client files to Canfin, and failing to provide information or produce document as requested by Staff of the MFDA.[10]

[11] Between January 6, 2014 and March 16, 2015 (the **Material Time**), Simba placed over 440 buy/sell orders in a locked-in retirement account for H.B. (the **LIRA Account**).

[12] H.B. was a former client of Simba's from Simba's time at Canfin.[11] H.B. approached Simba to help him make investments and withdraw locked-in retirement funds that he had received from a pension.[12] On October 29, 2013, Simba helped H.B. set up the LIRA Account and transfer money from another account into the LIRA Account[13], which contained the entirety of H.B.'s savings[14].

[13] H.B. was born in 1950, was not working during the Material Time and had very limited investment experience.[15] Simba did not believe that H.B. qualified as an accredited investor.[16]

[14] During the Material Time, H.B. relied on Simba to make and execute all decisions in the LIRA Account. Simba and H.B. had a verbal agreement that Simba had unfettered access to and complete discretionary trading authority over the LIRA Account through the password that Simba and H.B. had set up together for the account.[17]

[15] The LIRA Account incurred total losses during the Material Time of $56,009.26 as a result of Simba's purchases and sales of equities and options in the account. Simba has paid H.B. $5,000.00 as compensation for his losses.[18]

[16] Simba and H.B. agreed that Simba would be compensated for his services, with the amount in H.B.'s recollection dependent on results.[19] In fact, Simba did not receive any compensation.[20]

[17] During the Material Time, Simba was not registered in any capacity under Ontario securities law.

III. ISSUES

[18] The issues that must be addressed in this matter are as follows:

a. Did Simba engage in unregistered trading contrary to subsection 25(1) of the Act?

b. Did Simba engage in unregistered advising contrary to subsection 25(3) of the Act?

[6] Exhibit 4, Humphreys Affidavit, Tab H.
[7] Exhibit 4, Humphreys Affidavit, Tab L.
[8] Exhibit 3, Simard Affidavit, Tab B at p 2.
[9] Exhibit 3, Simard Affidavit, Tab C.
[10] Exhibit 3, Simard Affidavit, Tab B.
[11] Exhibit 4, Humphreys Affidavit, Tab H.
[12] Exhibit 4, Humphreys Affidavit, Tab J.
[13] Exhibit 4, Humphreys Affidavit, Tab H and Tab J.
[14] Exhibit 4, Humphreys Affidavit, Tab J.
[15] Exhibit 4, Humphreys Affidavit, Tab J.
[16] Exhibit 4, Humphreys Affidavit, Tab H.
[17] Exhibit 4, Humphreys Affidavit, Tab J.
[18] Exhibit 4, Humphreys Affidavit, Tab H and Tab J.
[19] Exhibit 4, Humphreys Affidavit, Tab H and Tab J.
[20] Exhibit 4, Humphreys Affidavit, Tab H and Tab J.

IV. ANALYSIS

A. Standard of Proof

[19] Staff bears the burden of proof in this proceeding. For any factual finding that this Panel makes, whether Staff's evidence is disputed or not, the civil standard of proof of "balance of probabilities" is applied. This requires the trier of fact to decide "whether it is more likely than not that the event occurred."[21]

B. Unregistered Trading in Securities

[20] Subsection 25(1) of the Act prohibits a person or company from "engaging in the business of trading in securities", or from holding themselves out as doing so, unless the person or company is properly registered or is exempt under Ontario securities law.

[21] Registration is a cornerstone of Ontario securities law and the regulatory framework of the Act. Registration serves as an important gate-keeping function by ensuring that only properly qualified and suitable persons are permitted to be registrants and to trade with or on behalf of the public.[22]

[22] The Commission has adopted Companion Policy 31-103CP *Registration Requirements, Exemptions and Ongoing Registrant Obligations* (**31-103CP**), which sets out factors to be considered in determining whether a person or company is engaged in a business when trading or advising in securities. The "business purpose" test in section 1.3 of 31-103CP includes the following factors:

i. Directly or indirectly carrying on the activity with repetition, regularity, and continuity

ii. Being, or expecting to be remunerated or compensated

[23] Although Simba is alleged to have traded for only one account, he effected over 440 buy/sell orders on an apparently discretionary basis. Although Simba did not ultimately receive any compensation, he had an agreement with H.B. that he would be compensated for his services on some basis. In considering the above factors, I find that Simba satisfies the business purpose trigger for registration.

[24] "Trade" or "trading" is defined in subsection 1(1) of the Act to include:

(a) any sale or disposition of a security for valuable consideration …

…

(e) any act, advertisement, solicitation, conduct or negotiation directly or indirectly in furtherance of any of the foregoing.

[25] Simba's online trading of equities and options in the LIRA Account resulted in 56 completed purchases and at least 62 completed sales during the Material Time, with each sale constituting a trade in securities.[23]

[26] In determining whether a person or company has engaged in acts in furtherance of a trade, the Commission has taken a contextual approach, examining the totality of the conduct and the setting in which the acts have occurred, with the primary considerations being the effects the acts had on those to whom they were directed[24], and on the proximity of the act to an actual or potential trade in securities.[25]

[27] I find that the following conduct by Simba constituted acts in furtherance of trade:

a. helping H.B. open the LIRA Account[26];

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[21] *FH v McDougall*, 2008 SCC 53, [2008] 3 SCR 41 at para 44.

[22] *Gregory & Co v Quebec (Securities Commission)*, [1961] SCR 584 at 588 (SCC); *British Columbia Securities Commission v Branch*, [1995] 2 SCR 3 at para 77.

[23] Exhibit 3, Simard Affidavit, Exhibit I.

[24] *Sabourin (Re)*, 2009 ONSEC 11, (2009), 32 OSCB 2707 at para 59.

[25] *Costello (Re)* (2003), 26 OSCB 1617 at para 47.

[26] Exhibit 3, Simard Affidavit, para 10(g) – (h); Exhibit 4, Humphreys Affidavit, Exhibit H.

b. helping H.B. transfer his pension funds to the LIRA Account, including by calling Standard Life with H.B. at H.B.'s home[27];

c. placing 214 online orders to buy or sell shares held in the LIRA Account on H.B.'s behalf[28]; and

d. placing 229 online orders to buy or sell options held in the LIRA Account on H.B.'s behalf[29].

[28] Once Staff establishes that a respondent has contravened a registration requirement under the Act, the onus is on the respondent to prove than an exemption was available.[30] Simba provided no evidence that that an exemption was available and there is nothing to suggest that an exemption would have been available to him.

C. Unregistered Advising in Securities

[29] Subsection 25(3) of the Act provides that unless an exemption is available, or the person or company is properly registered, no person or company shall "engage in the business of, or hold himself, herself or itself out as engaging in the business of, advising anyone with respect to investing in, buying or selling securities."

[30] The term "advisor" is defined in subsection 1(1) of the Act as "a person or company 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."

[31] Providing an opinion on the wisdom or value or desirability of investing in specific securities can constitute "advising" in securities.[31]

[32] Simba had unfettered access to the LIRA Account and could purchase and sell securities at his own discretion during the Material Time, using the password that H.B. agreed to share with him. Simba executed all purchases and sales of securities in the LIRA Account on H.B.'s behalf. During Staff's examination with Simba, Simba stated that he gave H.B. specific advice as to which securities to invest in. By engaging in this conduct, Simba was providing services similar to that of a "Portfolio Manager", a registration category under subsection 26(6) of the Act.

[33] The business purpose test described above with respect to trading equally applies to advising and includes the additional factor of "engaging in activities similar to a registrant" as listed in 31-103CP. During the Material Time, Simba acted as a *de facto* portfolio manager. All final decision with respect to the investments of H.B.'s money in the LIRA Account were made by Simba. In considering this and the factors as listed above, I find that Simba satisfies the business purpose trigger for registration.

[34] Simba provided no evidence that an exemption was available and there is nothing to suggest that an exemption was available to him.

V. CONCLUSION

[35] Both unregistered trading and advising is serious conduct contrary to the public interest. Simba's conduct was particularly egregious as he is a former registrant that has been permanently prohibited by the MFDA from conducting securities related business in any capacity, a ban which he has flouted through the conduct described above.

[36] For the reasons set out above, I find that:

a. Simba engaged in the business of trading in securities without being registered to do so, and where no exemption to the registration requirement of Ontario securities law was available, contrary to subsection 25(1) of the Act;

b. Simba engaged in the business of advising with respect to investing in, buying or selling securities without being registered to do so, and where no exemption to the registration requirement of Ontario securities law was available, contrary to subsection 25(3) of the Act; and

c. Simba acted contrary to the public interest.

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[27] Exhibit 4, Humphreys Affidavit, Exhibit J.

[28] Exhibit 3, Simard Affidavit, para 13.

[29] Exhibit 3, Simard Affidavit, para 14.

[30] *Morgan Dragon Development Corp (Re)*, 2014 ONSEC 10, (2014), 37 OSCB 4141 at para 91.

[31] *Doulis (Re)*, 2014 ONSEC 31, (2014), 37 ONCB 8911.

[37] Staff shall contact the Office of the Secretary within 15 days of these Reasons and Decision to arrange dates for a hearing regarding sanctions.

Dated at Toronto this 8th day of August, 2018.

"D. Grant Vingoe"

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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
Added Capital Inc.	03 August 2018	08 August 2018
Aquarius Surgical Technologies Inc.	03 August 2018	10 August 2018

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
Katanga Mining Limited	15 August 2017	

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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:
Coincapital STOXX B.R.AI.N Index Fund
Coincapital STOXX Blockchain Innovation Index Fund
Principal Regulator - Ontario
Type and Date:
Preliminary Simplified Prospectus dated August 13, 2018
NP 11-202 Preliminary Receipt dated August 13, 2018
Offering Price and Description:
ETF units, Class A units and Class F units
Underwriter(s) or Distributor(s):
N/A
Promoter(s):
N/A
Project #2806064

Issuer Name:
DFA Global Fixed Income Portfolio
Principal Regulator - British Columbia
Type and Date:
Preliminary Simplified Prospectus dated August 8, 2018
NP 11-202 Preliminary Receipt dated August 9, 2018
Offering Price and Description:
Class A, F and I Units
Underwriter(s) or Distributor(s):
N/A
Promoter(s):
Dimensional Fund Advisors Canada ULC
Project #2804149

Issuer Name:
Franklin Bissett Money Market Fund
Principal Regulator - Ontario
Type and Date:
Amendment #1 to Final Annual Information Form dated August 10, 2018
Received on August 10, 2018
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
Franklin Templeton Investments Corp.
Bissett Investment Management, a division of Franklin Templeton Investments Corp.
Promoter(s):
N/A
Project #2758148

Issuer Name:
Invesco S&P Europe 350 Equal Weight Index ETF
Principal Regulator - Ontario
Type and Date:
Preliminary Long Form Prospectus dated August 3, 2018
NP 11-202 Preliminary Receipt dated August 7, 2018
Offering Price and Description:
CAD Units and CAD Hedged Units
Underwriter(s) or Distributor(s):
N/A
Promoter(s):
Invesco Canada Ltd.
Project #2803036

Issuer Name:
Mackenzie All China Equity Fund
Mackenzie Balanced ETF Portfolio
Mackenzie Canadian All Cap Dividend Class
Mackenzie Canadian All Cap Dividend Fund
Mackenzie Canadian All Cap Value Class
Mackenzie Canadian All Cap Value Fund
Mackenzie Canadian Balanced Fund
Mackenzie Canadian Bond Fund
Mackenzie Canadian Growth Balanced Class
Mackenzie Canadian Growth Balanced Fund
Mackenzie Canadian Growth Class
Mackenzie Canadian Growth Fund
Mackenzie Canadian Large Cap Dividend Class
Mackenzie Canadian Large Cap Dividend Fund
Mackenzie Canadian Money Market Fund
Mackenzie Canadian Resource Fund
Mackenzie Canadian Short Term Income Fund
Mackenzie Canadian Small Cap Class
Mackenzie Canadian Small Cap Fund
Mackenzie Conservative ETF Portfolio
Mackenzie Conservative Income ETF Portfolio
Mackenzie Corporate Bond Fund
Mackenzie Cundill Canadian Balanced Fund
Mackenzie Cundill Canadian Security Class
Mackenzie Cundill Canadian Security Fund
Mackenzie Cundill Recovery Class
Mackenzie Cundill Recovery Fund
Mackenzie Cundill US Class
Mackenzie Cundill Value Class
Mackenzie Cundill Value Fund
Mackenzie Diversified Alternatives Fund
Mackenzie Emerging Markets Class
Mackenzie Emerging Markets Fund
Mackenzie Floating Rate Income Fund
Mackenzie Global Credit Opportunities Fund
Mackenzie Global Dividend Fund
Mackenzie Global Environmental Equity Fund
Mackenzie Global Equity Fund

Mackenzie Global Growth Class
Mackenzie Global Leadership Impact Fund
Mackenzie Global Resource Class
Mackenzie Global Small Cap Class
Mackenzie Global Small Cap Fund
Mackenzie Global Strategic Income Fund
Mackenzie Global Sustainability and Impact Balanced Fund
Mackenzie Global Tactical Bond Fund
Mackenzie Global Tactical Investment Grade Bond Fund
Mackenzie Gold Bullion Class
Mackenzie Growth ETF Portfolio
Mackenzie Growth Fund
Mackenzie High Diversification Canadian Equity Class
Mackenzie High Diversification Emerging Markets Equity Fund
Mackenzie High Diversification European Equity Fund
Mackenzie High Diversification Global Equity Fund
Mackenzie High Diversification International Equity Fund
Mackenzie High Diversification US Equity Fund
Mackenzie Income Fund
Mackenzie Investment Grade Floating Rate Fund
Mackenzie Ivy Canadian Balanced Class
Mackenzie Ivy Canadian Balanced Fund
Mackenzie Ivy Canadian Fund
Mackenzie Ivy European Class
Mackenzie Ivy Foreign Equity Class
Mackenzie Ivy Foreign Equity Currency Neutral Class
Mackenzie Ivy Foreign Equity Fund
Mackenzie Ivy Global Balanced Class
Mackenzie Ivy Global Balanced Fund
Mackenzie Ivy International Class
Mackenzie Ivy International Fund
Mackenzie Moderate Growth ETF Portfolio
Mackenzie Monthly Income Balanced Portfolio
Mackenzie Monthly Income Conservative Portfolio
Mackenzie North American Corporate Bond Fund
Mackenzie Precious Metals Class
Mackenzie Private Canadian Focused Equity Pool
Mackenzie Private Canadian Focused Equity Pool Class
Mackenzie Private Global Conservative Income Balanced Pool
Mackenzie Private Global Equity Pool
Mackenzie Private Global Equity Pool Class
Mackenzie Private Global Fixed Income Pool
Mackenzie Private Global Income Balanced Pool
Mackenzie Private Income Balanced Pool
Mackenzie Private Income Balanced Pool Class
Mackenzie Private US Equity Pool
Mackenzie Private US Equity Pool Class
Mackenzie Strategic Bond Fund
Mackenzie Strategic Income Fund
Mackenzie Unconstrained Fixed Income Fund
Mackenzie US All Cap Growth Fund
Mackenzie US Dividend Fund
Mackenzie US Dividend Registered Fund
Mackenzie US Growth Class
Mackenzie US Mid Cap Growth Class
Mackenzie US Mid Cap Growth Currency Neutral Class
Mackenzie US Strategic Income Fund
Mackenzie USD Global Strategic Income Fund
Mackenzie USD Global Tactical Bond Fund
Mackenzie USD Ultra Short Duration Income Fund
Symmetry Balanced Portfolio
Symmetry Balanced Portfolio Class
Symmetry Conservative Income Portfolio
Symmetry Conservative Income Portfolio Class
Symmetry Conservative Portfolio
Symmetry Conservative Portfolio Class
Symmetry Equity Portfolio Class
Symmetry Fixed Income Portfolio
Symmetry Growth Portfolio
Symmetry Growth Portfolio Class
Symmetry Moderate Growth Portfolio
Symmetry Moderate Growth Portfolio Class
Principal Regulator - Ontario

Type and Date:
Combined Preliminary and Pro Forma Simplified Prospectus dated August 8, 2018
NP 11-202 Preliminary Receipt dated August 13, 2018

Offering Price and Description:
Series A, AR, D, F, F5, F8, FB, FB5, O, PW, PWFB, PWX, PWT8, PWX8, T5, T8, PWT5, PWFB5 and PWR securities

Underwriter(s) or Distributor(s):
Quadrus Investment Services Ltd.
LBC Financial Services Inc.

Promoter(s):
Mackenzie Financial Corporation

Project #2804068

Issuer Name:
Purpose Multi-Asset Income Fund
Principal Regulator - Ontario

Type and Date:
Amendment #1 to Final Simplified Prospectus dated August 10, 2018
Received on August 10, 2018

Offering Price and Description:
Series P

Underwriter(s) or Distributor(s):
N/A

Promoter(s):
Purpose Investments Inc.

Project #2764789

Issuer Name:
Starlight Global Infrastructure Fund
Starlight Global Real Estate Fund
Principal Regulator - Ontario

Type and Date:
Preliminary Simplified Prospectus dated August 7, 2018
NP 11-202 Preliminary Receipt dated August 13, 2018

Offering Price and Description:
Series A, Series T6, Series F, Series FT6, ETF Series, Series O, Series O6, Series I and Series Z units

Underwriter(s) or Distributor(s):
N/A

Promoter(s):
Starlight Investments Capital GP Inc.

Project #2805804

Issuer Name:
B.E.S.T. Total Return Fund Inc. (formerly RoyNat Canadian Diversified Fund Inc.)
Principal Regulator - Ontario
Type and Date:
Final Long Form Prospectus dated August 8, 2018
NP 11-202 Receipt dated August 9, 2018
Offering Price and Description:
Continuous Offering Price – Net Asset Value Per Share
Minimum Initial - $5,000
Subsequent Subscriptions – $500
Underwriter(s) or Distributor(s):
N/A
Promoter(s):
N/A
Project #2772712

Issuer Name:
Franklin Bissett Money Market Fund
Principal Regulator - Ontario
Type and Date:
Amendment #1 to Final Annual Information Form dated August 10, 2018
NP 11-202 Receipt dated August 13, 2018
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
Franklin Templeton Investments Corp.
Bissett Investment Management, a division of Franklin Templeton Investments Corp.
Promoter(s):
N/A
Project #2758148

Issuer Name:
Hamilton Capital Australian Financials Yield ETF
Hamilton Capital Canadian Bank Dynamic-Weight ETF
Hamilton Capital European Financials ETF
Hamilton Capital Global Bank ETF
Hamilton Capital Global Financials Yield ETF (formerly Hamilton Capital Higher Yielding Financials ETF)
Hamilton Capital International Financials ETF
Hamilton Capital U.S. Mid-Cap Financials ETF (USD)
Principal Regulator - Ontario
Type and Date:
Final Long Form Prospectus dated August 9, 2018
NP 11-202 Receipt dated August 10, 2018
Offering Price and Description:
Class E units
Underwriter(s) or Distributor(s):
N/A
Promoter(s):
Hamilton Capital Partners Inc.
Project #2793218

Issuer Name:
Premium Income Corporation
Principal Regulator - Ontario
Type and Date:
Final Shelf Prospectus (NI 44-102) dated August 8, 2018
NP 11-202 Receipt dated August 10, 2018
Offering Price and Description:
$300,000,000
Preferred Shares and Class A Shares
Underwriter(s) or Distributor(s):
N/A
Promoter(s):
N/A
Project #2799483

Issuer Name:
Purpose Alternative Strategies Fund
Purpose Alternative Yield Fund (previously, Purpose Diversified Premium Yield Fund)
Purpose Diversified Real Asset Fund
Purpose Enhanced US Equity Fund
Purpose Multi-Strategy Market Neutral Fund
Principal Regulator - Ontario
Type and Date:
Final Long Form Prospectus dated August 3, 2018
NP 11-202 Receipt dated August 8, 2018
Offering Price and Description:
ETF shares, ETF non-currency hedged shares, Series A shares, Series A non-currency hedged shares, Series F shares, Series F non-currency hedged shares, Series I shares, Series I non-currency hedged shares, Series D shares, Series XA shares and Series XF shares @ net asset value
Underwriter(s) or Distributor(s):
N/A
Promoter(s):
N/A
Project #2789857

Issuer Name:
Purpose Conservative Income FundPrincipal Regulator - Ontario
Type and Date:
Amendment #3 to Final Simplified Prospectus and Amendment #4 to Annual Information Form dated August 2, 2018
NP 11-202 Receipt dated August 9, 2018
Offering Price and Description:
distribution of Series XUA and XUF Shares
Underwriter(s) or Distributor(s):
N/A
Promoter(s):
Purpose Investments Inc.
Project #2674554

Issuer Name:
Ridgewood Canadian Investment Grade Bond Fund
Principal Regulator - Ontario
Type and Date:
Final Shelf Prospectus (NI 44-102) dated August 10, 2018
NP 11-202 Receipt dated August 13, 2018
Offering Price and Description:
$400,000,000 Maximum
Underwriter(s) or Distributor(s):
N/A
Promoter(s):
N/A
Project #2798346

NON-INVESTMENT FUNDS

Issuer Name:
Artis Real Estate Investment Trust
Principal Regulator - Manitoba
Type and Date:
Preliminary Shelf Prospectus dated August 9, 2018
NP 11-202 Preliminary Receipt dated August 9, 2018
Offering Price and Description:
$1,000,000,000.00 - Units , Preferred Units , Debt Securities , Warrants , Subscription Receipts
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #2804788

Issuer Name:
Encana Corporation
Principal Regulator - Alberta (ASC)
Type and Date:
Preliminary Shelf Prospectus dated August 10, 2018
NP 11-202 Preliminary Receipt dated August 10, 2018
Offering Price and Description:
US$6,000,000,000.00
Debt Securities
Common Shares
Class A Preferred Shares
Subscription Receipts
Warrants
Units
Share Purchase Contracts
Share Purchase Units
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #2805465

Issuer Name:
Goldcorp Inc.
Principal Regulator - British Columbia
Type and Date:
Preliminary Shelf Prospectus dated August 9, 2018
NP 11-202 Preliminary Receipt dated August 9, 2018
Offering Price and Description:
US$3,000,000,000.00
Common Shares
Debt Securities
Subscription Receipts
Units
Warrants
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #2804789

Issuer Name:
Greenbrook TMS Inc.
Principal Regulator - Ontario
Type and Date:
Preliminary Long Form Prospectus dated August 13, 2018
NP 11-202 Preliminary Receipt dated August 13, 2018
Offering Price and Description:
10,000,000 Common Shares Issuable Upon the Exercise or Deemed Exercise of
10,000,000 Special Warrants
Underwriter(s) or Distributor(s):
Bloom Burton Securities Inc.
Promoter(s):
-
Project #2805995

Issuer Name:
iCo Therapeutics Inc.
Principal Regulator - British Columbia
Type and Date:
Preliminary Shelf Prospectus dated August 7, 2018
NP 11-202 Preliminary Receipt dated August 7, 2018
Offering Price and Description:
$25,000,000.00 - Common Shares, Preferred Shares, Debt Securities, Subscription Receipts, Units, Warrants
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #2803145

Issuer Name:
Tidal Royalty Corp.
Principal Regulator - British Columbia
Type and Date:
Preliminary Shelf Prospectus dated August 9, 2018
NP 11-202 Preliminary Receipt dated August 10, 2018
Offering Price and Description:
$200,000,000.00 - Common Shares, Preferred Shares, Debt Securities, Subscription Receipts, Warrants, Units
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #2805093

Issuer Name:
Canaccord Genuity Acquisition Corp.
Principal Regulator - Ontario
Type and Date:
Final Long Form Prospectus dated August 7, 2018
NP 11-202 Receipt dated August 8, 2018
Offering Price and Description:
0.00
Underwriter(s) or Distributor(s):
-
Promoter(s):
CG Investments Inc.
Jason Sparaga
Andrew Clark
Project #2784506

Issuer Name:
Gold Standard Ventures Corp.
Principal Regulator - British Columbia
Type and Date:
Final Shelf Prospectus dated August 3, 2018
NP 11-202 Receipt dated August 7, 2018
Offering Price and Description:
$300,000,000.00 - Common Shares, Subscription Receipts
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #2784374

Issuer Name:
McEwen Mining Inc. (formerly US Gold Corporation)
Principal Regulator - Ontario
Type and Date:
Final Prospectus – MJDS dated August 8, 2018
NP 11-202 Receipt dated August 9, 2018
Offering Price and Description:
US$200,000,000.00 - Debt Securities, Common Stock, Warrants, Subscription Rights, Subscription Receipts, Units
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #2762052

Issuer Name:
The Green Organic Dutchman Holdings Ltd.
Principal Regulator - Ontario
Type and Date:
Final Short Form Prospectus dated August 10, 2018
NP 11-202 Receipt dated August 10, 2018
Offering Price and Description:
$25,024,000.00
3,910,000 Units Issuable upon Exercise of 3,910,000 Special Warrants
Price Per Special Warrant: $6.40
Underwriter(s) or Distributor(s):
Canaccord Genuity Corp.
PI Financial Corp.
Mackie Research Capital Corporation
Promoter(s):
-
Project #2794878

Chapter 12

Registrations

12.1.1 Registrants

Type	Company	Category of Registration	Effective Date
Firm name change	From: Aberdeen Asset Management Canada Limited To: Aberdeen Standard Investments (Canada) Limited	Portfolio Manager	April 24, 2018
Consent to Suspension (Pending Surrender)	Ascendo Financial Solutions Inc.	Exempt Market Dealer	August 9, 2018
New Registration	Parametric Portfolio Associates LLC	Portfolio Manager & Commodity Trading Manager	August 9, 2018
New Registration	Bedford Park Capital Corporation	Investment Fund Manager, Portfolio Manager and Exempt Market Dealer	August 10, 2018
New Registration	Regulus Capital Management Inc.	Portfolio Manager	August 13, 2018
Revoked	Northern Securities Inc.	Investment Dealer	March 20, 2015

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Chapter 13

SROs, Marketplaces, Clearing Agencies and Trade Repositories

13.2 Marketplaces

13.2.1 Aequitas NEO Exchange – Proposed Amendment to the Definition of "Closing Price" – OSC Staff Notice of Request for Comments

REQUEST FOR COMMENTS

AEQUITAS NEO EXCHANGE

PROPOSED AMENDMENT TO THE DEFINITION OF "CLOSING PRICE"

Aequitas NEO Exchange Inc. ("NEO Exchange") is publishing proposed amendments (the "Proposed Amendments") to the NEO Exchange trading policies (the "Trading Policies") in accordance with Schedule 5 to its recognition order, as amended (the "Protocol"). They include "Public Interest Rules", which are being published for comment, and "Housekeeping Rules", both as defined under the Protocol.

The Public Interest Rules amend the definition of "Closing Price" and add new definitions of "Time-Weighted Average Price NBBO Midpoint" or "TWAP NBBO Midpoint", "Weighted Closing Price", and "Weighted Closing Price Eligible Security". The changes set out how the Closing Price is calculated for NEO-listed securities: 1) with a Closing Call; 2) without a Closing Call that are not Exchange Traded Funds; and 3) without a Closing Call that are Exchange Traded Funds. The changes are being made to address the fact that there may be multiple sources of pricing information and to enable more accurate pricing of illiquid Exchange Traded Funds.

A copy of the NEO Exchange notice is published on our website at www.osc.gov.on.ca.

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Chapter 25

Other Information

25.1 Approvals

25.1.1 Marval Capital Ltd. – s. 213(3)(b) of the LTCA

Headnote

Clause 213(3)(b) of the Loan and Trust Corporations Act – application by manager, with no prior track record acting as trustee, for approval to act as trustee of pooled funds and future pooled funds to be established and managed by the applicant and offered pursuant to a prospectus exemption.

Statutes Cited:

Loan and Trust Corporations Act, R.S.O. 1990, c. L. 25, as am., clause 213(3)(b).

July 20, 2018

Blake, Cassels & Graydon LLP
199 Bay Street
Suite 4000, Commerce Court West
Toronto, Ontario
M5L 1A9

Attention: Jordan Knowles

Dear Sirs/Mesdames:

Re: Marval Capital Ltd. (the "Applicant")

Application pursuant to clause 213(3)(b) of the Loan and Trust Corporations Act (Ontario) for approval to act as trustee

Application No. 2018/0330

Further to your application dated June 12, 2018 (the **Application**) filed on behalf of the Applicant and based on the facts set out in the Application and the representation by the Applicant that the assets of Marval Focus Fund and any future mutual fund trusts that the Applicant may establish and manage from time to time, the securities of which will be offered pursuant to prospectus exemptions, will be held in the custody of a trust company incorporated, and licensed or registered, under the laws of Canada or a jurisdiction, or a bank listed in Schedule I, II, or III of the *Bank Act* (Canada) or a qualified affiliate of such bank or trust company, the Ontario Securities Commission (the **Commission**) makes the following order:

Pursuant to the authority conferred on the Commission in clause 213(3)(b) of the *Loan and Trust Corporations Act* (Ontario), the Commission approves the proposal that the Applicant act as trustee of Marval Focus Fund and any future mutual fund trusts that may be established and managed by the Applicant from time to time, the securities of which will be offered pursuant to prospectus exemptions.

Yours truly,

"Cecilia Williams"
Commissioner

"Poonam Puri"
Commissioner

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