

The Ontario Securities Commission

OSC Bulletin

May 2, 2019

Volume 42, Issue 18

(2019), 42 OSCB

The Ontario Securities Commission administers the
Securities Act of Ontario (R.S.O. 1990, c. S.5) and the
Commodity Futures Act of Ontario (R.S.O. 1990, c. C.20)

The Ontario Securities Commission

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

416-593-8314 or Toll Free 1-877-785-1555

Contact Centre – Inquiries, Complaints:

Office of the Secretary:

Published under the authority of the Commission by:

Thomson Reuters
One Corporate Plaza
2075 Kennedy Road
Toronto, Ontario
M1T 3V4

416-609-3800 or 1-800-387-5164

Fax: 416-593-8122
TTY: 1-866-827-1295

Fax: 416-593-2318



THOMSON REUTERS®

The OSC Bulletin is published weekly by Thomson Reuters Canada, under the authority of the Ontario Securities Commission.

Thomson Reuters Canada offers every issue of the Bulletin, from 1994 onwards, fully searchable on *SecuritiesSource*[™], Canada's pre-eminent web-based securities resource. *SecuritiesSource*[™] also features comprehensive securities legislation, expert analysis, precedents and a weekly Newsletter. For more information on *SecuritiesSource*[™], as well as ordering information, please go to:

<http://www.westlawecarswell.com/SecuritiesSource/News/default.htm>

or call Thomson Reuters Canada Customer Support at 1-416-609-3800 (Toronto & International) or 1-800-387-5164 (Toll Free Canada & U.S.).

Claims from *bona fide* subscribers for missing issues will be honoured by Thomson Reuters Canada up to one month from publication date.

Space is available in the Ontario Securities Commission Bulletin for advertisements. The publisher will accept advertising aimed at the securities industry or financial community in Canada. Advertisements are limited to tombstone announcements and professional business card announcements by members of, and suppliers to, the financial services industry.

All rights reserved. No part of this publication may be reproduced, stored in a retrieval system, or transmitted in any form or by any means, electronic, mechanical, photocopying, recording, or otherwise without the prior written permission of the publisher.

The publisher is not engaged in rendering legal, accounting or other professional advice. If legal advice or other expert assistance is required, the services of a competent professional should be sought.

© Copyright 2019 Ontario Securities Commission
ISSN 0226-9325
Except Chapter 7 ©CDS INC.



One Corporate Plaza
2075 Kennedy Road
Toronto, Ontario
M1T 3V4

Customer Support
1-416-609-3800 (Toronto & International)
1-800-387-5164 (Toll Free Canada & U.S.)
Fax 1-416-298-5082 (Toronto)
Fax 1-877-750-9041 (Toll Free Canada Only)
Email CustomerSupport.LegalTaxCanada@TR.com

Table of Contents

Chapter 1	Notices	3991	Chapter 3	Reasons: Decisions, Orders and Rulings	4039
1.1	Notices	3991	3.1	OSC Decisions	4039
1.1.1	OSC Staff Notice 11-739 (Revised) – Policy Reformulation Table of Concordance and List of New Instruments	3991	3.1.1	Welcome Place Inc. et al.	4039
1.2	Notices of Hearing	(nil)	3.2	Director's Decisions	4041
1.3	Notices of Hearing with Related Statements of Allegations	(nil)	3.2.1	Sterling Bridge Mortgage Corp. – s. 31	4041
1.4	Notices from the Office of the Secretary	3994	Chapter 4	Cease Trading Orders	4043
1.4.1	Welcome Place Inc. et al.	3994	4.1.1	Temporary, Permanent & Rescinding Issuer Cease Trading Orders	4043
1.4.2	Majd Kitmitto et al.	3994	4.2.1	Temporary, Permanent & Rescinding Management Cease Trading Orders	4043
1.4.3	Trilogy Mortgage Group Inc. and Trilogy Equities Group Limited Partnership	3995	4.2.2	Outstanding Management & Insider Cease Trading Orders	4043
1.4.4	Natural Bee Works Apiaries Inc. et al.	3995	Chapter 5	Rules and Policies	(nil)
1.4.5	3iQ Corp. and The Bitcoin Fund	3996	Chapter 6	Request for Comments	4045
1.4.6	Natural Bee Works Apiaries Inc. et al.	3996	6.1.1	Proposed National Systems Renewal Program Rule and Related Amendments	4045
1.4.7	Issam El-Bouji	3997	6.1.2	Proposed Repeal and Replacement of Multilateral Instrument 13-102 System Fees for SEDAR and NRD	4137
1.5	Notices from the Office of the Secretary with Related Statements of Allegations	(nil)	Chapter 7	Insider Reporting	4149
Chapter 2	Decisions, Orders and Rulings	3999	Chapter 9	Legislation	(nil)
2.1	Decisions	3999	Chapter 11	IPOs, New Issues and Secondary Financings	4195
2.1.1	Mackenzie Financial Corporation and Mackenzie Enhanced Fixed Income Risk Premia Fund	3999	Chapter 12	Registrations	4203
2.1.2	RBC Global Asset Management Inc. et al.	4002	12.1.1	Registrants	4203
2.1.3	TD Asset Management Inc.	4010	Chapter 13	SROs, Marketplaces, Clearing Agencies and Trade Repositories	(nil)
2.1.4	Oanda (Canada) Corporation ULC	4017	13.1	SROs	(nil)
2.1.5	Mackenzie Financial Corporation and IPC Investment Corporation	4024	13.2	Marketplaces	(nil)
2.1.6	Stans Energy Corp.	4030	13.3	Clearing Agencies	(nil)
2.2	Orders	4033	13.4	Trade Repositories	(nil)
2.2.1	Welcome Place Inc. et al.	4033	Chapter 25	Other Information	4205
2.2.2	Dynex Power Inc.	4033	25.1	Consents	
2.2.3	Majd Kitmitto et al.	4034	25.1.1	Canaccord Genuity Growth Corp. – s. 4(b) of Ont. Reg. 289/00 under the OBCA	4205
2.2.4	Trilogy Mortgage Group Inc. and Trilogy Equities Group Limited Partnership – s. 127(8)	4035	Index		4207
2.2.5	Natural Bee Works Apiaries Inc. et al.	4035			
2.2.6	3iQ Corp. and The Bitcoin Fund – s. 8	4036			
2.2.7	Natural Bee Works Apiaries Inc. et al. – s. 127(8)	4037			
2.2.8	Issam El-Bouji	4037			
2.3	Orders with Related Settlement Agreements	(nil)			
2.4	Rulings	(nil)			

Chapter 1

Notices

1.1 Notices

1.1.1 OSC Staff Notice 11-739 (Revised) – Policy Reformulation Table of Concordance and List of New Instruments

OSC STAFF NOTICE 11-739 (REVISED)

POLICY REFORMULATION TABLE OF CONCORDANCE AND LIST OF NEW INSTRUMENTS

The following revisions have been made to the Table of Concordance and List of New Instruments. A full version of the Table of Concordance and List of New Instruments as of March 31, 2019 has been posted to the OSC Website at www.osc.gov.on.ca.

Table of Concordance

Item Key

The third digit of each instrument represents the following: 1-National/Multilateral Instrument; 2-National/Multilateral Policy; 3-CSA Notice; 4-CSA Concept Release; 5-Local Rule; 6-Local Policy; 7-Local Notice; 8-Implementing Instrument; 9-Miscellaneous

Reformulation

Instrument	Title	Status
11-742	Securities Advisory Committee	Published January 10, 2019
23-324	Order Protection Rule: Market Share Threshold for the period April 1, 2019 to March 31, 2020	Published January 31, 2019
45-325	Filing Requirement and Fee Payable for Exempt Distributions involving Fully Managed Accounts	Published February 7, 2019
11-739	Policy Reformulation Table of Concordance and List of New Instruments	Published February 14, 2019
45-324	Update on the Start-up Crowdfunding Registration and Prospectus Exemptions	Published February 21, 2019
11-341	Withdrawal of Staff Notices	Published March 7, 2019
11-319	Extension of Consultation Period – Consultation Paper 25-401 Potential Regulation of Proxy Advisory Forms	Withdrawn March 7, 2019
11-322	Extension of Consultation Period – Proposed Amendments to Multilateral Instrument 62-104 Take-Over Bids and Issuer Bids and National Instrument 62-103 Early Warning System and Related Take-Over Bid and Insider Reporting Issues	Withdrawn March 7, 2019
11-327	Extension of Consultation Period – Proposed National Policy 25-201 Guidance for Proxy Advisory Firms	Withdrawn March 7, 2019
21-306	Request for Filing of Form 21-101F5 Initial Operation Report for Information Processor by Interested Information Processors	Withdrawn March 7, 2019
23-301	Electronic Audit Trails	Withdrawn March 7, 2019
23-302	Electronic Audit Trail Initiative (TREATS)	Withdrawn March 7, 2019

Reformulation

Instrument	Title	Status
23-304	Status of the Transaction Reporting and Electronic Audit Trail System (TREATS)	Withdrawn March 7, 2019
23-306	Status of the Transaction Reporting and Electronic Audit Trail System (TREATS)	Withdrawn March 7, 2019
31-339	Omnibus/Blanket Orders Exempting IIROC and MFDA Registrants from Certain Provisions of National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations	Withdrawn March 7, 2019
31-341	Omnibus/Blanket Orders Exempting Registrants from Certain CRM2 Provisions of National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations	Withdrawn March 7, 2019
33-305	Sale of Insurance Products by Dually Employed Salespersons	Withdrawn March 7, 2019
45-311	Exemptions from Certain Financial Statement-Related Requirements in the Offering Memorandum Exemption to Facilitate Access to Capital by Small Business	Withdrawn March 7, 2019
45-320	Exemptions for Certain Foreign Issuers from the Requirement to Identify Purchasers as Registrants or Insiders in Reports of Exempt Distribution	Withdrawn March 7, 2019
81-320	Update on International Financial Reporting Standards for Investment Funds	Withdrawn March 7, 2019
81-325	Status Report on Consultation under CSA Notice 81-324 and Request for Comment on Proposed CSA Mutual Fund Risk Classification Methodology for Use in Fund Facts	Withdrawn March 7, 2019
81-326	Update on an Alternative Funds Framework for Investment Funds	Withdrawn March 7, 2019
31-103	Registration Requirements, Exemptions and Ongoing Registrant Obligations – Custody Related Amendments	Commission Approval/Delivery to Minister published March 14, 2019
25-102	Designated Benchmarks and Benchmark Administrators	Published for comment March 14, 2019
25-501	Designated Benchmarks and Benchmark Administrators (Commodity Futures Act)	Published for comment March 14, 2019
21-402	Joint Canadian Securities Administrators/Investment Industry Regulatory Organization of Canada Consultation Paper 21-402 Proposed Framework for Crypto-Asset Trading Platforms	Published for comment March 14, 2019
21-325	Follow-up on Marketplace Systems Incidents	Published March 21, 2019
21-326	Guidance for Reporting Material Systems Incidents	Published March 21, 2019
23-406	Joint CSA/IIROC Consultation Paper 23-406 Internalization within the Canadian Equity Market	Published for comment on March 21, 2019
45-106	Prospectus Exemptions – Amendments (Related to Syndicated Mortgages)	Published for comment on March 21, 2019
31-103	Registration Requirements, Exemptions and Ongoing Registrant Obligations (Related to Syndicated Mortgages)	Published for comment on March 21, 2019

Reformulation

Instrument	Title	Status
11-785	Statement of Priorities – Request for Comments regarding Statement of Priorities for financial Year to End March 31, 2019	Published March 28, 2019

For further information, contact:

Darlene Watson
Project Specialist
Ontario Securities Commission
416-593-8148

May 2, 2019

1.4 Notices from the Office of the Secretary

1.4.1 Welcome Place Inc. et al.

**FOR IMMEDIATE RELEASE
April 24, 2019**

**WELCOME PLACE INC.,
DANIEL MAXSOOD also known as
MUHAMMAD M. KHAN,
TAO ZHANG and
TALAT ASHRAF,
File No. 2019-14**

TORONTO – The Commission issued an Order and its Reasons and Decision in the above named matter.

A copy of the Order and the Reasons and Decision dated April 23, 2019 are available at www.osc.gov.on.ca.

OFFICE OF THE SECRETARY
GRACE KNAKOWSKI
SECRETARY TO THE COMMISSION

For media inquiries:

media_inquiries@osc.gov.on.ca

For investor inquiries:

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

1.4.2 Majd Kitmitto et al.

**FOR IMMEDIATE RELEASE
April 24, 2019**

**MAJD KITMITTO,
STEVEN VANNATTA,
CHRISTOPHER CANDUSSO,
CLAUDIO CANDUSSO,
DONALD ALEXANDER (SANDY) GOSS,
JOHN FIELDING, and
FRANK FAKHRY,
File No. 2018-70**

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

A copy of the Order dated April 24, 2019 is available at www.osc.gov.on.ca.

OFFICE OF THE SECRETARY
GRACE KNAKOWSKI
SECRETARY TO THE COMMISSION

For media inquiries:

media_inquiries@osc.gov.on.ca

For investor inquiries:

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

**1.4.3 Trilogy Mortgage Group Inc. and Trilogy
Equities Group Limited Partnership**

**FOR IMMEDIATE RELEASE
April 25, 2019**

**TRILOGY MORTGAGE GROUP INC. and
TRILOGY EQUITIES GROUP LIMITED PARTNERSHIP,
File No. 2018-21**

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

A copy of the Order dated April 24, 2019 is available at
www.osc.gov.on.ca.

OFFICE OF THE SECRETARY
GRACE KNAKOWSKI
SECRETARY TO THE COMMISSION

For media inquiries:

media_inquiries@osc.gov.on.ca

For investor inquiries:

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

1.4.4 Natural Bee Works Apiaries Inc. et al.

**FOR IMMEDIATE RELEASE
April 29, 2019**

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

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

A copy of the Order dated April 26, 2019 is available at
www.osc.gov.on.ca.

OFFICE OF THE SECRETARY
GRACE KNAKOWSKI
SECRETARY TO THE COMMISSION

For media inquiries:

media_inquiries@osc.gov.on.ca

For investor inquiries:

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

1.4.5 3iQ Corp. and The Bitcoin Fund

FOR IMMEDIATE RELEASE
April 29, 2019

**3IQ CORP. and
THE BITCOIN FUND,
File No. 2019-7**

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

A copy of the Order dated April 26, 2019 is available at www.osc.gov.on.ca.

OFFICE OF THE SECRETARY
GRACE KNAKOWSKI
SECRETARY TO THE COMMISSION

For media inquiries:

media_inquiries@osc.gov.on.ca

For investor inquiries:

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

1.4.6 Natural Bee Works Apiaries Inc. et al.

FOR IMMEDIATE RELEASE
April 29, 2019

**NATURAL BEE WORKS APIARIES INC.,
TAWLIA CHICKALO,
RINALDO LANDUCCI and
ELISE MAXHELEAU,
File No. 2018-7**

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

A copy of the Order dated April 26, 2019 is available at www.osc.gov.on.ca.

OFFICE OF THE SECRETARY
GRACE KNAKOWSKI
SECRETARY TO THE COMMISSION

For media inquiries:

media_inquiries@osc.gov.on.ca

For investor inquiries:

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

1.4.7 Issam El-Bouji

FOR IMMEDIATE RELEASE
April 29, 2019

ISSAM EL-BOUJI,
File No. 2018-28

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

A copy of the Order dated April 29, 2019 is available at www.osc.gov.on.ca.

OFFICE OF THE SECRETARY
GRACE KNAKOWSKI
SECRETARY TO THE COMMISSION

For media inquiries:

media_inquiries@osc.gov.on.ca

For investor inquiries:

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

This page intentionally left blank

Chapter 2

Decisions, Orders and Rulings

2.1 Decisions

2.1.1 Mackenzie Financial Corporation and Mackenzie Enhanced Fixed Income Risk Premia Fund

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – exemption from issuer concentration restrictions in subsection 2.1(1.1) of National Instrument 81-102 Investment Funds to permit a global fixed income fund that is an alternative mutual fund to invest more than 20% of its net asset in securities issued or guaranteed by a foreign government of supranational agency – relief subject the usual conditions.

Applicable Legislative Provisions

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

April 16, 2019

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
MACKENZIE FINANCIAL CORPORATION
(the Filer)

AND

IN THE MATTER OF
MACKENZIE ENHANCED FIXED INCOME RISK PREMIA FUND
(the Fund)

DECISION

Background

The principal regulator in the Jurisdiction has received an application from the Filer on behalf of the Fund for a decision under the securities legislation of the Jurisdiction of the principal regulator (the “**Legislation**”), for an exemption pursuant to section 19.1 of National Instrument 81-102 *Investment Funds* (“**NI 81-102**”), from section 2.1 of NI 81-102 (the “**Concentration Restriction**”), to permit the Fund to invest up to 35% of its net assets, taken at market value at the time of purchase, in evidences of indebtedness of any one issuer (such evidences of indebtedness are collectively referred to as “**Foreign Government Securities**”) if those evidences of indebtedness are issued, or guaranteed fully as to principal and interest, by supranational agencies or governments other than the government of Canada, or the government of a jurisdiction in Canada and are rated “**AAA**” by Standard & Poor’s or its DRO affiliate, or have an equivalent rating by one or more other designated rating organizations or their DRO affiliates.

(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 and territories of Canada.

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.

Representations

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

Background Facts

1. The Filer is a corporation amalgamated under the laws of Ontario with its head office on Toronto, Ontario.
2. The Filer is registered as an investment fund manager, portfolio manager, exempt market dealer and commodity trading manager in Ontario. The Filer is also registered as a portfolio manager and exempt market dealer in all other Canadian provinces and territories and as an investment fund manager in Newfoundland and Labrador and Québec.
3. The Filer is the manager, trustee and portfolio manager of the Fund.
4. The Fund will be an open-ended mutual fund trust established under the laws of Ontario. The Fund will be an alternative mutual fund under NI 81-102.
5. Securities of the Fund will be offered by simplified prospectus (a “**Simplified Prospectus**”) filed in all the provinces and territories in Canada and, accordingly the Fund will be a reporting issuer in each province and territory of Canada. A preliminary simplified prospectus was filed for the Fund via SEDAR in all the provinces and territories on March 8, 2019.
6. The Filer is not in default of securities legislation in any jurisdiction of Canada.
7. The Fund’s investment objective will be to seek to magnify the performance of global fixed-income markets by investing in long and short positions in fixed-income securities, equity securities and derivative instruments.
8. To achieve the investment objective of the Fund, it is expected that the investment team will employ a program of investing in fixed-income securities, exchange traded funds, and leveraged derivative instruments, which primarily consist of futures, forward contracts and fixed-income options.
9. Although the Fund aims to invest primarily in a diversified portfolio of fixed-income securities, the Fund’s portfolio managers seek the discretion to gain exposure to any one issuer of Foreign Government Securities more than the Concentration Restriction.
10. The portfolio managers of the Fund will attempt to consistently apply leverage to increase the Fund’s aggregate exposure up to 300% and will employ both fundamental and quantitative analysis in selecting the Fund’s holdings with the flexibility to take advantage of relative value opportunities that exist in the global fixed income space. This flexibility extends across structures and countries. In following this style, in conjunction with both fundamental and quantitative investment analysis, the portfolio managers believe that Foreign Government Securities are well suited to the Fund’s investment objectives.
11. Allowing the Fund to hold highly rated fixed-income securities issued by governments will enable the Fund to preserve capital in foreign markets during adverse market conditions, to have access to assets with minimal credit risk and will enable the portfolio manager to assess its views on interest rates and duration.
12. The increased flexibility to hold Foreign Government Securities may also yield higher returns than Canadian shorter-term government fixed-income alternatives.
13. Subsection 2.1(1.1) of NI 81-102 prohibits the Fund from purchasing a security of an issuer, other than a “government security” as defined in NI 81-102, if immediately after the purchase more than 20% of the net asset value of the fund, taken at market value at the time of the purchase, would be invested in securities of the issuer.

14. The Foreign Government Securities are not “government securities” as such term is defined in NI 81-102.
15. The Filer believes that the ability to purchase Foreign Government Securities more than the limit in subsection 2.1(1.1) of NI 81-102 will better enable the Fund to achieve its fundamental investment objectives, thereby benefitting the Fund's investors.
16. The Fund will only purchase Foreign Government Securities if the purchase is consistent with the Fund's fundamental investment objectives.
17. The Simplified Prospectus for the Fund will disclose the risks associated with concentration of net assets of the Fund in securities of a limited number of issuers.
18. The Fund seeks the Requested Relief to enhance its ability to pursue and achieve its investment objectives.

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 Requested Relief is granted provided that:

1. any security that may be purchased under the Requested Relief is traded on a mature and liquid market;
2. the acquisition of the securities purchased pursuant to this decision is consistent with the fundamental investment objectives of the Fund;
3. the Simplified Prospectus of the Fund discloses the additional risk associated with the concentration of the net asset value of the Fund in securities of fewer issuers, such as the potential additional exposure to the risk of default of the issuer in which the Fund has so invested and the risks, including foreign exchange risks, of investing in the country in which the issuer is located; and
4. the Simplified Prospectus of the Fund discloses, in the investment strategies section, a summary of the nature and terms of the Requested Relief, along with the conditions imposed and the type of securities covered by this decision.

“Darren McKall”
Manager
Investment Funds and Structured Products Branch
Ontario Securities Commission

2.1.2 RBC Global Asset Management Inc. et al.

Headnote

National Policy 11-203 Process For Exemptive Relief Applications in Multiple Jurisdictions -Approval of mutual fund merger, change of manager and change of custodian – merger approval required because the mergers do not meet the criteria for pre-approved reorganizations and transfers in National Instrument 81-102 – certain mergers not a “qualifying exchange” or a tax-deferred transaction under the Income Tax Act – manager of a continuing fund is not an affiliate of the manager of the terminating funds – unitholders of the terminating funds are provided with timely and adequate disclosure regarding the mergers – National Instrument 81-102 Investment Funds.

Applicable Legislative Provisions

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

March 20, 2019

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
RBC GLOBAL ASSET MANAGEMENT INC.
(RBC GAM)

AND

IN THE MATTER OF
RBC CANADIAN SHORT TERM BOND INDEX ETF,
RBC CANADIAN BOND INDEX ETF,
RBC CANADIAN EQUITY INDEX ETF, RBC U.S. EQUITY INDEX ETF,
RBC INTERNATIONAL EQUITY INDEX ETF,
RBC GLOBAL GOVERNMENT BOND (CAD HEDGED) INDEX ETF
(collectively, the Funds)

DECISION

Background

The principal regulator in the Jurisdiction has received an application from RBC GAM, on behalf of the Funds, for a decision under the securities legislation of the Jurisdiction (the **Legislation**) approving:

- (a) the change in manager of the RBC Global Government Bond (CAD Hedged) Index ETF to BlackRock Asset Management Canada Limited (**BlackRock Canada**) under section 5.5(1)(a) of National Instrument 81-102 *Investment Funds (NI 81-102)* (the **Change in Manager**);
- (b) the merger of the Terminating Funds (collectively, the **Mergers** and each, a **Merger**) into the relevant Continuing Fund (collectively, the **Continuing Funds** and each, a **Continuing Fund**) as set forth in the table below under section 5.5(1)(b) of NI 81-102; and

Terminating Funds	Continuing Funds
RBC Canadian Short Term Bond Index ETF	iShares Core Canadian Short Term Bond Index ETF

Terminating Funds	Continuing Funds
RBC Canadian Bond Index ETF	iShares Core Canadian Universe Bond Index ETF
RBC Canadian Equity Index ETF	iShares Core S&P/TSX Capped Composite Index ETF
RBC U.S. Equity Index ETF	iShares Core S&P 500 Index ETF
RBC International Equity Index ETF	iShares Core MSCI EAFE IMI Index ETF

- (c) as a result of the Change in Manager, the change in custodian of the RBC Global Government Bond (CAD Hedged) Index ETF from RBC Investor Services Trust to State Street Trust Company Canada (the “**Change in Custodian**”).

The Change in Manager together with the Mergers and the Change in Custodian, the **Approval Sought**.

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

- (a) the Ontario Securities Commission is the principal regulator for this application, and
- (b) the Filer has provided notice that subsection 4.7(1) of Multinational Instrument 11-102 *Passport System* (**MI 11-102**) is intended to be relied upon in all of the provinces and territories of Canada other than the Jurisdiction (together with the Jurisdiction, the **Jurisdictions**).

Interpretation

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

Representations

This decision is based on the following facts represented by RBC GAM:

RBC GAM

1. RBC GAM is a corporation formed by amalgamation pursuant to articles of amalgamation dated November 1, 2010 under the federal laws of Canada and its head office is located in Toronto, Ontario. RBC GAM is an indirect, wholly-owned subsidiary of Royal Bank of Canada with its head office located at 155 Wellington Street West, Suite 2200, Toronto, Ontario M5V 3K7.
2. RBC GAM is registered as an adviser in the category of portfolio manager and as a dealer in the category of exempt market dealer under the securities legislation of each Jurisdiction, is registered as an investment fund manager in each of British Columbia, Ontario, Québec and Newfoundland and Labrador and is also registered in Ontario as a commodity trading manager.
3. RBC GAM is the trustee and manager of the Funds.
4. RBC GAM is not in default of the securities legislation of any province or territory of Canada.

BlackRock Canada

5. BlackRock Canada is a corporation amalgamated under the laws of the Province of Ontario and is an indirect, wholly-owned subsidiary of BlackRock, Inc., with its head office located at 161 Bay Street, Suite 2500, Toronto, Ontario M5J 2S1.
6. BlackRock Canada is registered in the categories of portfolio manager, investment fund manager and exempt market dealer in all of the Jurisdictions. BlackRock Canada is also registered as a commodity trading manager in Ontario and an adviser under the *Commodity Futures Act* in Manitoba.
7. BlackRock Canada is the trustee and manager of the Continuing Funds.

8. BlackRock Canada has appointed BlackRock Institutional Trust Company, N.A. ("**BTC**") as sub-advisor of the Continuing Funds. As sub-advisor, BTC is responsible for the investment management activities of the Continuing Funds, subject to the policies, control and supervision of BlackRock Canada.
9. BlackRock Canada is not in default of the securities legislation of any province or territory of Canada.

The Funds

10. Each of the Funds is an exchange traded fund established under the laws of the Province of Ontario.
11. Each of the Funds is a reporting issuer under the laws of all of the Jurisdictions.
12. None of the Funds are in default of the securities legislation of any province or territory of Canada.
13. The CAD Units of the Funds are distributed in each of the Jurisdictions pursuant to a long-form prospectus prepared in accordance with Form 41-101F2 *Information Required in an Investment Fund Prospectus* ("**Form 41-101F2**") dated August 16, 2018, as amended by amendment no. 1 dated January 16, 2019.
14. The CAD Units of the Funds are currently listed on the Aequitas NEO Exchange Inc. (the "**NEO Exchange**").
15. Although prospectus qualified, no USD units of the RBC U.S. Equity Index ETF and RBC International Equity Index ETF have been issued as at the date hereof and RBC GAM does not intend to issue or list USD units of the RBC U.S. Equity Index ETF and RBC International Equity Index ETF prior to the effective date of the Mergers.
16. The Funds are subject to, among other laws and regulations, NI 81-102, National Instrument 81-106 *Investment Funds Continuous Disclosure* ("**NI 81-106**") and National Instrument 81-107 *Independent Review Committee for Investment Funds* ("**NI 81-107**").

Continuing Funds

17. Each of the Continuing Funds is an exchange traded fund established under the laws of the Province of Ontario.
18. Each of the Continuing Funds is a reporting issuer under the laws of all of the Jurisdictions.
19. None of the Continuing Funds is in default of the securities legislation of any province or territory of Canada.
20. The units of the Continuing Funds are distributed in each of the Jurisdictions pursuant to a long-form prospectus prepared in accordance with Form 41-101F2 dated March 29, 2018, as amended by amendment no. 1 dated January 3, 2019.
21. The units of the Continuing Funds are currently listed on the Toronto Stock Exchange.
22. The custodian of the Continuing Funds is State Street Trust Company Canada.
23. The Continuing Funds are subject to, among other laws and regulations, NI 81-102, NI 81-106 and NI 81-107.

Proposed Transaction

24. On January 8, 2019 RBC GAM announced that it has entered into a strategic alliance with BlackRock Canada (the "**Strategic Alliance**") whereby the ETF families offered in Canada by RBC GAM and BlackRock Canada are being brought together under one new brand – RBC iShares (the "**RBC iShares Solution Suite**").
25. Subject to receiving all necessary unitholder and regulatory approvals, it is proposed that (a) the trustee, manager and portfolio manager of the RBC Global Government Bond (CAD Hedged) Index ETF be changed from RBC GAM to BlackRock Canada on or about April 5, 2019, (b) each Terminating Fund be merged into the applicable Continuing Fund, on or about April 8, 2019 (except the RBC International Equity Index ETF which will be merged on or about April 9, 2019) and (c) the custodian of the RBC Global Government Bond (CAD Hedged) Index ETF be changed on or about April 5, 2019, from RBC Investor Services Trust to State Street Trust Company Canada.
26. The terms of the Change in Manager and the Mergers were presented to the independent review committee (the "**RBC IRC**") of the Funds for its review and recommendation. After considering the potential conflict of interest matters related to the Change in Manager and the Mergers, the RBC IRC provided its positive recommendation for the Change in Manager and the Mergers.

Securities Law Requirements for Pre-Approval

27. Under section 5.5(1)(a), 5.5(1)(b) and 5.5(1)(c) of NI 81-102, the approval of the regulator is required before (a) the manager of an investment fund is changed, unless the new manager is an affiliate of the current manager, (b) a reorganization or transfer of assets of an investment fund is implemented if the transaction will result in the securityholders of the investment fund becoming securityholders in another issuer, respectively and (c) a change in custodian of an investment fund is implemented in connection with a Change in Manager.
28. Under section 5.6 of NI 81-102, approval of a merger by the regulator is not required if all of the criteria for pre-approval of the merger listed in paragraphs 5.6(1)(a) through (k) of NI 81-102, as applicable, are satisfied.
29. The Mergers will satisfy all the requirements of paragraphs 5.6(1)(a) through (k), as applicable, of NI 81-102 with the exception of:
 - (a) paragraph 5.6(1)(a)(i) of NI 81-102 as BlackRock Canada is the manager of the Continuing Funds; and
 - (b) paragraph 5.6(1)(b) of NI 81-102 as the Mergers (other than the Merger involving the RBC U.S. Equity Index ETF) will not be a “qualifying exchange” (within the meaning of section 132.2 of the *Income Tax Act* (Canada)) or implemented on a tax-deferred basis.

Unitholder Disclosure

30. A press release was issued by RBC GAM on January 8, 2019 and a material change report was filed on SEDAR on January 17, 2019 relating to the proposed Change in Manager and the Mergers.
31. An amendment dated January 16, 2019 to the long form prospectus of the Funds dated August 16, 2018 announcing the proposed Change in Manager and the Mergers has been filed on SEDAR.
32. Unitholders of each of the Funds have been asked to approve the Change in Manager or the applicable Merger, as applicable, at joint special meetings of unitholders of the Funds (collectively, the “**Meetings**” and each, a “**Meeting**”) to be held on March 22, 2019, as required pursuant to NI 81-102. At each Meeting, the affirmative vote of not less than a majority of the votes cast by unitholders of the applicable Fund present in person or represented by proxy at that Meeting is required for approval of the Change in Manager or the applicable Merger, as applicable.
33. A notice-and-access document (the “**Notice-and-Access Document**”) which outlined the procedures for accessing the management information circular which contains full details of the proposed Change in Manager and Mergers (including information regarding the income tax considerations for unitholders of the Funds and forms of proxy (collectively, the “**Meeting Materials**”)) in respect of the Meetings was mailed on February 20, 2019 to unitholders of record of the Funds as of February 6, 2019. A copy of the Meeting Materials was filed on SEDAR following the mailing. The Meeting Materials contain all information necessary to allow unitholders to make an informed decision about the Change in Manager and the Mergers (and include a copy of the ETF Facts of the Continuing Funds) as well as describe the ways in which unitholders may obtain a copy of the Meeting Materials at no cost.
34. The material terms, rationale, benefits and tax consequences of the Change in Manager and the Mergers have been disclosed to unitholders in the Meeting Materials in advance of the Meetings. The Meeting Materials also describe where unitholders of the Funds may obtain, free of charge, the most recent annual financial statements, interim financial statements, management reports of fund performance, ETF Facts and the current prospectuses of the Funds and the Continuing Funds.

Merger Steps

35. As soon as reasonably practicable, prior to the effective time of the Merger in respect of each of the Terminating Funds, each Terminating Fund will distribute a sufficient amount of its net income and net realized capital gains, if any, to ensure that it will not be subject to tax for its current tax year.
36. At the effective time of the Mergers, each Terminating Fund will, after satisfying or providing for any outstanding liabilities, transfer all of its portfolio securities and other assets (i.e. its net assets) to the relevant Continuing Fund in consideration for an amount (the “**Purchase Price**”) equal to (a) in respect of the Mergers (other than the Merger in respect of the RBC International Equity Index ETF) the net asset value of the Terminating Fund calculated on the trading day immediately prior to the effective date of the applicable Merger and (b) in respect of the Merger involving the RBC International Equity Index ETF the net asset value of the Terminating Fund calculated on the day which is two trading days prior to the effective date of such Merger (in order to account for the time it will take to arrange for the transfer of certain international securities and time zone differences).

37. Each relevant Continuing Fund will satisfy the applicable Purchase Price by issuing to the relevant Terminating Fund that number of units (rounded down to the nearest whole unit) equal to Purchase Price divided by the net asset value per unit of the Continuing Fund.
38. Following the payment of the Purchase Price, all of the units of each of the Terminating Funds will be redeemed and the redemption price therefor will be paid by delivering the applicable number of units of the applicable Continuing Fund on the trading day following the date on which the Purchase Price has been paid in full (i.e. in respect of the Mergers (other than the Merger involving the RBC International Equity Index ETF) being April 9, 2019 and in respect of the Merger involving the RBC International Equity Index ETF being April 10, 2019) to unitholders of the applicable Terminating Fund as is equal to the applicable Exchange Ratio multiplied by the number of units of the applicable Terminating Fund held by such unitholder immediately prior to the completion of the applicable Merger.
39. Holders of CAD units of each of the Terminating Funds will receive Canadian dollar denominated units of the applicable Continuing Fund (i.e. securities of a similar series) in connection with the Mergers.
40. All of the Mergers are expected to be implemented on a taxable basis other than the merger of the RBC U.S. Equity Index ETF with the iShares Core S&P 500 Index ETF which is expected to be implemented on a tax-deferred basis.
41. The RBC U.S. Equity Index ETF will, following the effective time of its merger with the iShares Core S&P 500 Index ETF, file a joint tax election in respect of the transfer to the iShares Core S&P 500 Index ETF of all of its assets.
42. As soon as reasonably possible following the Mergers, the Terminating Funds will be wound up and the Continuing Funds will continue as exchange traded funds existing under the laws of the Province of Ontario.

Business Reasons for the Proposed Transaction

43. The RBC iShares Solution Suite represents Canada's largest and most comprehensive ETF offering, including index, factor, quantitative and active strategies and includes a total of 150 ETFs: 106 high-quality, liquid, cost competitive index solutions managed by BlackRock Canada, and 44 index, smart beta and actively managed solutions managed by RBC GAM.
44. The proposed Mergers will streamline the RBC iShares Solution Suite and result in tangible benefits to unitholders of the Terminating Funds, including greater liquidity associated with the Continuing Funds and historically more favorable spreads on the secondary market, which will ultimately reduce transactional costs for unitholders.
45. The proposed Change in Manager will allow the RBC Global Government Bond (CAD Hedged) Index ETF to draw on BlackRock Canada's strength and expertise in relation to the management of index-tracking investment solutions, which is one of BlackRock Canada's core capabilities.

Additional Information with Respect to the Mergers

46. Each Merger will involve the Terminating Fund transferring all or substantially all of its net assets to the applicable Continuing Fund in consideration for the issuance by the applicable Continuing Fund to the Terminating Fund of a whole number of units of the applicable Continuing Fund.
47. Following the transfer of assets of the Terminating Fund to the applicable Continuing Fund and the issuance of units of the applicable Continuing Fund to the Terminating Fund, all of the CAD Units of the Terminating Fund will be redeemed. Each unitholder of the Terminating Fund will receive, through the facilities of CDS, such number of units of the applicable Continuing Fund as is equal to the number of CAD Units of the Terminating Fund held by such unitholder multiplied by the Exchange Ratio (as defined below) of such units.
48. The Exchange Ratio (a) in respect of each of the Mergers (other than the Merger in respect of the RBC International Equity Index ETF) will be calculated by dividing the net asset value per unit of the Terminating Fund by the net asset value per unit of the relevant Continuing Fund as at the close of trading on the business day immediately preceding the effective date of the applicable Merger and (b) in respect of the Merger involving the RBC International Equity Index ETF will be calculated by dividing the net asset value per unit of the Terminating Fund by the net asset value per unit of the relevant Continuing Fund as at the close of trading on the day which is two business days prior to the effective date of the such Merger in order to account for time it will take to arrange for the transfer of certain international securities and time zone differences (the "**Exchange Ratio**").
49. Units of the Funds will continue to be redeemable on a daily basis up to the business day immediately prior to the effective date of the Change in Manager and the Mergers other than the Merger in respect of the RBC International Equity Index

ETF which will be redeemable on a daily basis up to the second business day preceding the effective date of the Merger, primarily through the designated broker and dealers of the Funds.

50. In addition, unitholders of the Funds will be able to trade their CAD Units on the NEO Exchange in the ordinary course at least until the close of business on the business day immediately preceding the effective date of the Change in Manager or the applicable Merger, as applicable.
51. The cash and any other assets of the Terminating Funds acquired by the applicable Continuing Fund in connection with the Mergers will be acquired in compliance with NI 81-102.
52. No redemption fee, sales charges, commissions or other fees will be payable by unitholders of the Terminating Funds in connection with the Mergers.
53. The Terminating Funds have complied with Part 11 of NI 81-106 in connection with the making of the decision by the board of directors of RBC GAM to proceed with the Mergers.
54. The Mergers are not expected to have any material impact on the business, operations or affairs of the Continuing Funds or the unitholders of the Continuing Funds.
55. RBC GAM is advised by BlackRock Canada that the Mergers are not considered to be a material change for any of the Continuing Funds.

The Change of Manager

56. BlackRock Canada is wholly-owned subsidiary of BlackRock, Inc. BlackRock, Inc. is an experienced ETF-focused asset manager with a global presence. As of December 31, 2018, BlackRock, Inc. managed approximately US\$5.98 trillion in assets on behalf of investors worldwide. BlackRock, Inc., together with its worldwide affiliates, is the world's largest ETF provider by assets under management as of September 30, 2018.
57. It is expected that all of the current officers and directors of BlackRock Canada will continue on in their current capacities.
58. Upon completion of the Mergers and the Change in Manager, the individuals that comprise the RBC IRC of the Terminating Funds and the RBC Global Government Bond (CAD Hedged) Index ETF will cease to be members of such independent review committee by operation of subsection 3.10(1)(a) of NI 81-107. Immediately following the completion of the Change in Manager, BlackRock Canada has confirmed that the new members of the RBC Global Government Bond (CAD Hedged) Index ETF IRC will be the same individuals that currently comprise the independent review committee for the Continuing Funds and the other exchange-traded funds managed by BlackRock Canada, namely: Martha Fell, Paul Batho, Geoffrey Creighton and Kevin Coldiron.
59. The members of the BlackRock Canada management team have the requisite integrity and experience as required under NI 81-102.
60. Following the completion of the Change in Manager, BlackRock Canada will manage the RBC Global Government Bond (CAD Hedged) Index ETF in a manner consistent with the management of the existing ETFs managed by BlackRock Canada.
61. BlackRock Canada anticipates that on the effective date of the Change in Manager, the RBC Global Government Bond (CAD Hedged) Index ETF will be migrated to and governed by the terms of the iShares Funds Master Declaration of Trust amended and restated as of January 1, 2019 (the "**BlackRock DOT**"), which will be amended and restated in order to add the RBC Global Government Bond (CAD Hedged) Index ETF.
62. BlackRock Canada does not currently intend to make any material changes to the RBC Global Government Bond (CAD Hedged) Index ETF's investment strategy. Certain non-material changes may be made to better align the RBC Global Government Bond (CAD Hedged) Index ETF's strategy with the strategies of similarly managed iShares ETFs. Any such changes will be consistent with the RBC Global Government Bond (CAD Hedged) Index ETF's investment objectives and will be disclosed in the prospectus that BlackRock Canada intends to file in connection with the assumption of management responsibilities for the RBC Global Government Bond (CAD Hedged) Index ETF.

The Change in Custodian

63. As the Change in Custodian will be implemented in connection with the Change in Manager, approval of the principal regulator is required under paragraph 5.5(1)(c) of NI 81-102.

64. It is anticipated that the Change in Custodian in respect of the RBC Global Government Bond (CAD Hedged) Index ETF will be implemented on or about April 5, 2019, the effective date of the Change in Manager.
65. RBC GAM believes that the Change in Custodian will be beneficial to unitholders of the RBC Global Government Bond (CAD Hedged) Index ETF as it will create administrative efficiencies by having custody of all of the exchange-traded funds managed by BlackRock Canada (other than its bullion exchange-traded funds) with the same custodian once the Change in Manager is implemented.
66. The current custodian of the RBC Global Government Bond (CAD Hedged) Index ETF is RBC Investor Services Trust. Its most recent custodian report in respect of the RBC Global Government Bond (CAD Hedged) Index ETF was filed on February 9, 2018.
67. The custodian of the RBC Global Government Bond (CAD Hedged) Index ETF will be changed to State Street Trust Company Canada. State Street Trust Company Canada may engage sub-custodians in connection with the assets of the RBC Global Government Bond (CAD Hedged) Index ETF.
68. State Street Trust Company Canada is qualified to act as a custodian in Canada in accordance with Part 6 of NI 81-102.
69. Neither RBC GAM nor BlackRock Canada is an affiliate of State Street Trust Company Canada.
70. State Street Trust Company Canada's most recent custodian report for the iShares exchange-traded funds has been filed on SEDAR. This report was provided to RBC GAM.
71. The Change in Custodian and the custodial agreements and arrangements between the RBC Global Government Bond (CAD Hedged) Index ETF and State Street Trust Company Canada will be implemented in compliance with Part 6 of NI 81-102.
72. RBC GAM believes that the Change in Custodian and the addition of the RBC Global Government Bond (CAD Hedged) Index ETF to the existing custodial arrangements between the Continuing Funds and State Street Trust Company Canada will have no adverse impact on the continued compliance with Part 6 of NI 81-102.
73. RBC GAM does not regard the Change in Custodian as either a "material change" as defined in section 1.1 of NI 81-102, or as a "conflict of interest matter" as defined in section 1.2 of NI 81-107.
74. Disclosure regarding State Street Trust Company Canada as custodian will be included in the first prospectus filed for the RBC Global Government Bond (CAD Hedged) Index ETF by BlackRock Canada shortly after the implementation of the Change in Manager.

General

75. None of the Terminating Funds, the RBC Global Government Bond (CAD Hedged) Index ETF or the Continuing Funds or the unitholders thereof will bear any costs or expenses associated with calling and holding the Meetings and implementing the Change in Manager, Mergers or Change in Custodian including costs related to legal and accounting fees, proxy solicitation, printing, mailing and regulatory fees. RBC GAM may however, in anticipation of a Merger, liquidate certain portfolio securities held by a Terminating ETF, which may result in a taxable capital gains distribution for unitholders of the Terminating ETF.
76. There is no intention to change the officers, directors or registered individuals of BlackRock Canada as a result of the Change in Manager or the Mergers.
77. The Change in Manager and Mergers will not adversely affect the financial positions of RBC GAM and BlackRock Canada or their ability to fulfill their regulatory obligations.
78. In the event that the Change in Manager or a Merger is not approved by unitholders of the applicable Fund, the Manager currently intends to terminate such Fund in accordance with its declaration of trust. In the event of termination of a Fund, the Manager will provide not less than 60 days' notice to unitholders of the applicable Fund and will issue a press release in advance thereof.
79. The Requested Approval will not be detrimental to the protection of investors in the Funds or the Continuing Funds or prejudice the public interest.

Decision

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

The decision of the principal regulator is that the Approval Sought is granted provided that RBC GAM obtains the prior approval of unitholders of the Funds for the Change in Manager and Mergers, as applicable.

“Darren McKall”

Manager

Investment Funds and Structured Products Branch

Ontario Securities Commission

2.1.3 TD Asset Management Inc.

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Relief from the self-dealing provision in s.4.2(1) of NI 81-102 Investment Funds to permit inter-fund trades in private debt securities between investment funds subject to NI 81-102 and pooled funds managed by the same manager – Inter-fund trades permitted subject to conditions, including the approval of the independent review committee of each Fund, compliance with paragraphs (d), (f) and (g) of subsection 6.1(2) of NI 81-107 Independent Review Committee for Investment Funds, and the requirement to obtain an independent valuation for the private debt security from an independent valuation firm.

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Relief from s.13.5(2)(b)(ii) and (iii) of NI 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations to permit inter-fund trades of private debt securities between mutual funds, pooled funds and managed accounts managed by the same manager – Inter-fund trades permitted subject to conditions, including the approval of the independent review committee of each Fund, compliance with paragraphs (d), (f) and (g) of subsection 6.1(2) of NI 81-107 Independent Review Committee for Investment Funds, and the requirement to obtain an independent valuation for the private debt security from an independent valuation firm – Where inter-fund trades of private debt occur between pooled funds sold only to “permitted clients” or between managed accounts and pooled funds sold only to “permitted clients”, the manager will use its own valuation models to determine the prices at which the private debt securities are purchased and sold, subject to the requirement to have an independent valuation firm registered with the CPAB carry out an annual audit of the valuation methodology to ensure the value attributed to the securities is fair and reasonable.

Applicable Legislative Provisions

National Instrument 81-102 Investment Funds, ss. 4.2(1) and 19.2.

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

National Instrument 81-107 Independent Review Committee for Investment Funds, s. 6.1(2).

April 18, 2019

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

AND

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

AND

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

AND

THE FUNDS
(as defined below)

DECISION

Background

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

- (a) for an exemption from section 13.5(2)(b)(ii) and (iii) of National Instrument 31-103 – *Registration Requirements, Exemptions and Ongoing Registrant Obligations* (“**NI 31-103**”) which prohibits a registered adviser from knowingly causing an investment portfolio managed by it, including an investment fund for which it acts as an

adviser, to purchase or sell the securities of any issuer from or to the investment portfolio of an associate of a responsible person, or any investment fund for which a responsible person acts as an adviser; and

- (b) for an exemption from section 4.2(1) of National Instrument 81-102 – *Investment Funds* (“**NI 81-102**”) which prohibits an investment fund from purchasing a security from, selling a security to, another investment fund managed by the Filer or an affiliate of the Filer;

to permit a Fund or Managed Account (as defined below) to engage in Inter-Fund Trades (as defined below) involving Private Debt (as defined below).

The relief requested in (a) above is referred to as the “**Inter-Fund Trade Relief**” and the relief requested in (b) above is referred to as the “**Section 4.2(1) Relief**”. The Inter-Fund Trade Relief together with the Section 4.2(1) Relief are collectively referred to as the “**Exemption Sought**”.

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

- (a) the Ontario Securities Commission is the principal regulator for this application; and
- (b) the Filer has provided notice that section 4.7(1) of Multilateral Instrument 11-102 – *Passport System* (“**MI 11-102**”) is intended to be relied upon in each of the other Provinces and Territories of Canada (together with Ontario, the “**Jurisdictions**”).

Interpretation

Defined terms contained in National Instrument 14-101 *Definitions*, NI 81-102 and NI 31-103 have the same meaning in this decision unless otherwise defined. The following terms have the following meanings:

“**Funds**” means the Mutual Funds and the Pooled Funds;

“**Existing Pooled Funds**” means TD *Emerald* Private Debt Pooled Fund Trust and TD *Emerald* Long Private Debt Pooled Fund Trust, each of which is not a reporting issuer;

“**Future Pooled Funds**” means any investment fund (other than an Existing Pooled Fund) that is not a reporting issuer, of which the Filer or an affiliate of the Filer acts as investment fund manager and/or portfolio manager;

“**Inter-Fund Trade**” means the purchase or sale of securities (i) between Funds, or (ii) between a Managed Account and a Fund;

“**Managed Account**” means an account managed by the Filer for a client that is not a responsible person and over which the Filer has discretionary authority;

“**Mutual Funds**” means any mutual fund, as defined in the *Securities Act* (Ontario), that is a reporting issuer and subject to NI 81-102, of which the Filer or an affiliate of the Filer acts as investment fund manager and/or portfolio manager;

“**Pooled Funds**” means the Existing Pooled Funds and the Future Pooled Funds.

Representations

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

Filer

1. The Filer is a corporation existing under the laws of the province of Ontario with its head office in Toronto, Ontario.
2. The Filer is registered as an investment fund manager in the Provinces of Ontario, Québec and Newfoundland and Labrador, as a portfolio manager and exempt market dealer in each of the provinces and territories of Canada, as a derivatives portfolio manager in the province of Québec and as a commodity trading manager in the province of Ontario.
3. The Filer is the investment fund manager and portfolio manager of the Existing Pooled Funds.
4. The Filer is or will be the investment fund manager and/or portfolio manager of the Funds.
5. The Filer provides discretionary investment management services to investors through Managed Accounts.

Mutual Funds

6. Each of the Mutual Funds is or will be:
 - (a) an open-ended mutual fund trust or an open-ended mutual fund corporation, and
 - (b) a reporting issuer in each of the Jurisdictions that is subject to the provisions of NI 81-102.
7. The securities of each of the Mutual Funds are or will be qualified for distribution pursuant to simplified prospectuses and annual information forms that have been prepared or will be prepared and filed in accordance with NI 81-101 – *Mutual Fund Prospectus Disclosure*.

Pooled Funds

8. Each of the Pooled Funds is or will be an open-ended or closed-ended investment fund established as a trust or limited partnership.
9. None of the Pooled Funds is or will be a reporting issuer in any of the Jurisdictions, nor subject to NI 81-102.
10. The securities of the Pooled Funds are or will be distributed on a private placement basis pursuant to available prospectus exemptions.
11. Each of the Existing Pooled Funds is available only to investors who are “permitted clients” as such term is defined in NI 31-103, other than those described in paragraph (k) of the definition, unless the client of the managed account is otherwise a permitted client.
12. The Filer, each of the existing Mutual Funds and each of the Existing Pooled Funds is not in default of securities legislation in the Jurisdictions.

Managed Accounts

13. Each Managed Account client wishing to receive the discretionary investment management services of the Filer has entered into, or will enter into, a written agreement (an “**Investment Management Agreement**”) whereby the client appoints the Filer to act as portfolio manager in connection with an investment portfolio of the client with full discretionary authority to trade in securities for the Managed Account without obtaining the specific consent of the client to execute the trade.
14. Each Investment Management Agreement or other documentation in respect of a Managed Account contains, or will contain, the authorization of the client for the Filer to engage in Inter-Fund Trades.

Private Debt

15. To the extent consistent with the investment objective of a Fund or Managed Account, the investment portfolio of a Fund or Managed Account may include private debt securities and loans (or a portion of a loan) in respect of which the bid and ask price is not readily available given the limited number of investors/lenders and the limited trading involved (“**Private Debt**”).
16. The Filer believes that permitting investment in Private Debt will provide the Funds and Managed Accounts with a diversification benefit as well as exposure to issuers in sectors that may be underrepresented, as compared to the Canadian corporate bond indices. The Filer is also of the view that investment in Private Debt will assist the Funds and Managed Accounts in achieving their stated investment objectives, given the benefits of yield enhancement, diversification and lower risk due to stronger covenants and security packages, as compared to public bonds.

Inter-Fund Trades

17. The Filer wishes to permit any Fund or Managed Account to engage in Inter-Fund Trades in respect of Private Debt.
18. The Filer previously obtained exemptive relief in respect of certain Inter-Fund Trades on April 27, 2009 and on July 2, 2009 (collectively, the “**Prior Relief**”). The terms of the Prior Relief required that “the transaction complies with paragraphs (c) to (g) of subsection 6.1(2) of NI 81-107 except that for purposes of paragraph (e) of subsection 6.1(2) in respect of exchange-traded securities the current market price of the security may be the Last Sale Price”.

19. The Filer is unable to carry out Inter-Fund Trades in Private Debt between the Funds and Managed Accounts in accordance with the terms of the Prior Relief because Private Debt securities are not commonly traded in secondary markets, do not have an external pricing source, and accordingly do not have readily available bid and ask quotes. As such, absent the Exemption Sought, the Filer is prohibited from carrying out an Inter-Fund Trade in respect of Private Debt.

Controls

20. Each Fund and Managed Account, as applicable, will only purchase Private Debt that are consistent with, or necessary to meet, the Fund's or Managed Account's investment objectives. Each Fund and Managed Account will only sell Private Debt if the Filer has determined that disposing of such securities is appropriate for the Fund or Managed Account, as applicable.
21. Private Debt are illiquid assets as defined in NI 81-102. Each Mutual Fund will comply with the restrictions concerning illiquid assets provided for in NI 81-102.
22. All decisions to purchase or sell Private Debt pursuant to an Inter-Fund Trade will be made based on the judgment of responsible persons uninfluenced by considerations other than the best interests of the Fund or Managed Account, as applicable.
23. The Filer has, or will have, policies and procedures in place to address any potential conflicts of interest that may arise as a result of Inter-Fund Trades in respect of Private Debt and the Filer will be able to appropriately deal with any such conflicts.
24. The Filer, on behalf of each Fund, has established or will establish an independent review committee (the "IRC") consistent with section 3.7 of National Instrument 81-107 *Independent Review Committee for Investment Funds* ("NI 81-107"). The IRC of each Fund will be expected to comply with the standard of care set out in section 3.9 of NI 81-107 as if each Fund were subject to that rule.
25. The Filer will refer the Inter-Fund Trades in respect of Private Debt involving a Fund to the IRC of such Fund.
26. Prior to a Fund making a purchase or sale of Private Debt pursuant to an Inter-Fund Trade:
- (a) The IRC of the Fund will approve the transaction in accordance with section 5.2(2) of NI 81-107;
 - (b) The Filer will comply with section 5.1 of NI 81-107; and
 - (c) The Filer and the IRC of the Fund will comply with section 5.4 of NI 81-107 for any standing instructions the IRC provides in connection with the transaction.

Valuation

27. With respect to Private Debt to be purchased or sold pursuant to an Inter-Fund Trade solely between Existing Pooled Funds or between an Existing Pooled Fund and a Managed Account:
- (a) The valuation and/or prices of the Private Debt are not reported by an independent source. The Filer has developed valuation models and methodologies (the "Valuation Models") specifically for Private Debt to determine fair value. The Valuation Models are based on a discounted cash flow model and the inputs used in the Valuation Models are derived from both external and internal sources. The application of the Valuation Models and the inputs used in the Valuation Models are overseen by an internal risk group of the Filer whose members do not include the portfolio management teams who make the investment decisions in respect of Private Debt for a Fund or Managed Account. The Filer proposes that a reputable valuation firm that is independent of the Filer and its affiliates, that is an accounting firm registered with the Canadian Public Accountability Board ("CPAB") and the valuation services of which are provided by professionals who are active members of the Canadian Institute of Chartered Business Valuators will be retained to review on an annual basis whether the Valuation Models developed and used by the Filer to determine the fair value attributed to Private Debt are reasonable from the perspective of an independent third party and that such models would result in a valuation that is fair from a financial point of view. Such valuation models and methodologies will then be used by the Filer to determine the price(s) at which Private Debt are purchased from or sold by an Existing Pooled Fund in connection with an Inter-Fund Trade with another Existing Pooled Fund or a Managed Account.
 - (b) The Valuation Models to be used by the Filer to determine the prices at which Private Debt are purchased and sold by an Existing Pooled Fund in connection with an Inter-Fund Trade with another Existing Pooled Fund or

Managed Account will also be used to calculate the net asset value for the purpose of the issue price or redemption price of the units of the Existing Pooled Fund.

- (c) A public accounting firm that is registered with the CPAB is or will be retained to act as auditor of the Existing Pooled Funds and will carry out an audit, in accordance with Canadian generally accepted auditing standards, of the annual financial statements of the Existing Pooled Funds. The annual financial statements will be prepared in accordance with International Financial Reporting Standards ("IFRS"). The financial statements will present the Private Debt at their fair values, which will be determined based on all applicable fair valuation principles set out in IFRS 13 *Fair Value Measurement*. These principles consider the credit spreads and yields used by market participants in the fair market valuation of private debt securities and other market value influencing assumptions, to the extent that such information is publicly available.

- 28. With respect to Private Debt to be purchased or sold pursuant to an Inter-Fund Trade between Funds or between Funds and Managed Accounts other than as described in paragraph 27 (including an Inter-Fund Trade solely involving the Existing Pooled Funds or the Existing Pooled Funds and Managed Accounts where the Filer has determined not to establish fair value of the Private Debt using the Valuation Models), the Valuation Models will not be used. Instead the Filer proposes that a reputable valuation firm that is independent of the Filer and its affiliates and that the Filer determines to have sufficient expertise in valuing Private Debt will be retained to value the Private Debt that is the subject of the Inter-Fund Trade and such valuation will be used for purposes of carrying out the Inter-Fund Trade.

Compensation

- 29. The Filer and its affiliates will receive no remuneration with respect to any purchase or sale of Private Debt in connection with an Inter-Fund Trade. In the case of syndicated Private Debt, an agent bank may charge the Fund or Managed Account nominal fees for the transfer or assignment of such syndicated Private Debt.

Record Keeping

- 30. For each purchase or sale of Private Debt, each Fund will keep written records in a financial year of the Fund. These records will reflect details of the Private Debt received or delivered by the Fund and the value assigned to such Private Debt. These records will be retained for five years after the end of the financial year, the most recent two years in a reasonably accessible place.

Disclosure

- 31. The Filer will disclose in the next renewal of its prospectus for its Mutual Funds, the next update of its offering documents of each Pooled Fund and in the Investment Management Agreement or other documentation in respect of a Managed Account that Inter-Fund Trades of Private Debt securities between the Funds and Managed Accounts may occur from time to time, and also disclose how the price of such securities is determined and the valuation procedure for such securities.

Decision

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

The decision of the principal regulator under the Legislation is that:

- 1. The Section 4.2(1) Relief is granted provided that the following conditions are satisfied:
 - (a) the transaction is consistent with the investment objectives of each of the Funds involved in the trade;
 - (b) the IRC of each Fund involved in the trade has approved the transaction in respect of that Fund in accordance with the terms of section 5.2 of NI 81-107;
 - (c) the transaction complies with paragraphs (d), (f) and (g) of subsection 6.1(2) of NI 81-107; provided that in the case of syndicated Private Debt, an agent bank may charge the Fund nominal fees for the transfer or assignment of such syndicated Private Debt;

- (d) the transaction is executed at the fair value of the Private Debt that is the subject of the transaction determined by a reputable valuation firm that is independent of the Filer and its affiliates and that the Filer determines to have sufficient expertise in valuing Private Debt;
2. The Inter-Fund Trading Relief is granted provided that the following conditions are satisfied:
- (a) the Inter-Fund Trade is consistent with the investment objectives of the Fund or Managed Account, as applicable;
 - (b) the Filer, as manager of a Fund, refers the Inter-Fund Trade involving a Fund to the IRC of that Fund in the manner contemplated by section 5.1 of NI 81-107 and the Filer and the IRC of the Fund comply with section 5.4 of NI 81-107 in respect of any standing instructions the IRC provides in connection with the Inter-Fund Trade;
 - (c) the next renewal prospectus of the Mutual Funds, the next update of the offering documents of each Pooled Fund and the Investment Management Agreement or other documentation in respect of a Managed Account, involved in an Inter-Fund Trade discloses that the Fund or Managed Account, as applicable, may engage in Inter-Fund Trades of Private Debt securities from time to time, and also discloses how the price of such securities is determined and the valuation procedure for such securities;
 - (d) in the case of an Inter-Fund Trade solely involving Existing Pooled Funds or Existing Pooled Funds and Managed Accounts where the price of the Private Debt is to be determined using the Valuation Models:
 - (A) securities of each Existing Pooled Fund are sold pursuant to available exemptions from the prospectus requirements only to investors who are “permitted clients” as such term is defined in NI 31-103, other than those described in paragraph (k) of the definition, unless the client of the managed account is otherwise a permitted client;
 - (B) the IRC of each Existing Pooled Fund has approved the Inter-Fund Trade in respect of the Fund in accordance with the terms of section 5.2(2) of NI 81-107;
 - (C) the Inter-Fund Trade Complies with paragraphs (d), (f) and (g) of subsection 6.1(2) of NI 81-107; provided that in the case of syndicated Private Debt, an agent bank may charge the Existing Pooled Fund or Managed Account, as applicable, nominal fees for the transfer or assignment of such syndicated Private Debt;
 - (D) the Investment Management Agreement or other documentation in respect of a Managed Account involved in the Inter-Fund Trade authorizes the Inter-Fund Trade;
 - (E) the Inter-Fund Trade is executed at the fair value of the Private Debt that is the subject of the transaction determined using the Valuation Models of the Filer which are also used to determine the net asset value of the Existing Pooled Fund(s);
 - (F) a reputable valuation firm, that is independent of the Filer and its affiliates, that is an accounting firm registered with the CPAB and the valuation services of which are provided by professionals who are active members of the Canadian Institute of Chartered Business Valuators is retained to review on an annual basis whether the Valuation Models developed and used by the Filer to determine the fair value attributed to Private Debt are reasonable from the perspective of an independent third party and that such models would result in a valuation that is fair from a financial point of view;
 - (G) a public accounting firm that is registered with the CPAB is or will be retained to act as auditor of the Existing Pooled Funds and will carry out an audit, in accordance with Canadian generally accepted auditing standards, of the annual financial statements of the Existing Pooled Funds. The annual financial statements will be prepared in accordance with International Financial Reporting Standards (“IFRS”). The financial statements will present the Private Debt at their fair values, which will be determined based on all applicable fair valuation principles set out in IFRS 13 *Fair Value Measurement*. These principles consider the credit spreads and yields used by market participants in the fair market valuation of private debt securities and other market value influencing assumptions, to the extent that such information is publicly available;
 - (e) in the case of an Inter-Fund Trade between Funds (other than where the Inter-Fund Trade is carried out in accordance with 2(d) above):

- (A) the IRC of each Fund has approved the Inter-Fund Trade in respect of the Fund in accordance with the terms of section 5.2(2) of NI 81-107;
 - (B) the Inter-Fund Trade complies with paragraphs (d), (f) and (g) of subsection 6.1(2) of NI 81-107; provided that in the case of syndicated Private Debt, an agent bank may charge the Fund nominal fees for the transfer or assignment of such syndicated Private Debt;
 - (C) the transaction is executed at the fair value of the Private Debt that is the subject of the transaction determined by a reputable valuation firm that is independent of the Filer and its affiliates and that the Filer determines to have sufficient expertise in valuing Private Debt;
- (f) in the case of an Inter-Fund Trade between a Managed Account and a Fund (other than where the Inter-Fund Trade is carried out in accordance with 2(d) above):
- (A) the IRC of the Fund has approved the Inter-Fund Trade in respect of such Fund in accordance with the terms of subsection 5.2(2) of NI 81-107;
 - (B) the Investment Management Agreement or other documentation in respect of the Managed Account authorizes the Inter-Fund Trade; and
 - (C) the Inter-Fund Trade complies with paragraphs (d), (f) and (g) of subsection 6.1(2) of NI 81-107; provided that in the case of syndicated Private Debt, an agent bank may charge the Fund or Managed Account, as applicable, nominal fees for the transfer or assignment of such syndicated Private Debt;
 - (D) the transaction is executed at the fair value of the Private Debt that is the subject of the transaction determined by a reputable valuation firm that is independent of the Filer and its affiliates and that the Filer determines to have sufficient expertise in valuing Private Debt.

“Darren McCall”
Manager, Investment Funds and Structured Products Branch
Ontario Securities Commission

2.1.4 Oanda (Canada) Corporation ULC

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Application by Filer for relief from prospectus requirement in connection with distribution by the Filer of contracts for difference and OTC foreign exchange contracts (collectively, CFDs) to investors resident in applicable jurisdictions, subject to terms and conditions – Filer is registered in Ontario as an investment dealer and is a member of the Investment Industry Regulatory Organization of Canada (IIROC) – Filer complies with IIROC rules and IIROC acceptable practices applicable to offerings of CFDs – Filer seeking relief to permit Filer to offer CFDs to investors on the basis of clear and plain language risk disclosure document rather than a prospectus – risk disclosure document contains disclosure substantially similar to risk disclosure document required for recognized options in OSC Rule 91-502 Trades in Recognized Options, the regime for OTC derivatives contemplated by former proposed OSC Rule 91-504 OTC Derivatives (which was not adopted), and the Quebec Derivatives Act – Relief consistent with relief contemplated by OSC Staff Notice 91-702 Offerings of Contracts for Difference and Foreign Exchange Contracts to Investors in Ontario (OSC SN 91-702) – Relief granted, subject to terms and conditions as described in OSC SN 91-702, including four-year sunset clause.

Applicable Legislative Provisions

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

OSC Rule 91-502 Trades in Recognized Options.

OSC Rule 91-503 Trades in Commodity Futures Contracts and Commodity Futures Options Entered into on Commodity Futures Exchanges Situate Outside of Ontario.

Proposed OSC Rule 91-504 OTC Derivatives (not adopted).

April 23, 2019

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
OANDA (CANADA) CORPORATION ULC
(the Filer)

DECISION

Background

The principal regulator in the Jurisdiction has received an application (the Application) from the Filer for a decision under the securities legislation of the Jurisdiction (the **Legislation**) that the Filer and its respective officers, directors and representatives be exempt from the prospectus requirement in respect of the distribution of contracts for difference and over-the-counter (**OTC**) foreign exchange contracts (collectively, **CFDs**) to investors resident in the Applicable Jurisdictions (as defined below), subject to the terms and conditions below (the **Requested Relief**).

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

- (a) the Ontario Securities Commission is the principal regulator for this application (the **Principal Regulator**); and
- (b) the Filer has provided notice that section 4.7(1) of Multilateral Instrument 11-102 *Passport System* (**MI 11-102**) is intended to be relied upon in each of the other provinces and territories of Canada, other than the provinces of Quebec and Alberta, (the **Non-Principal Jurisdictions**, and, together with the Jurisdiction, the **Applicable Jurisdictions**).

Interpretation

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

Representations

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

The Filer

1. The Filer is a corporation incorporated under the laws of Alberta with its principal office in Toronto, Ontario.
2. The Filer is registered as a dealer in the category of investment dealer in each of the provinces and territories of Canada, and is a member of the Investment Industry Regulatory Organization of Canada (**IIROC**).
3. The Filer does not have any securities listed or quoted on an exchange or marketplace in any jurisdiction inside or outside of Canada.
4. The Filer is not in default of applicable securities legislation in any province or territory of Canada, or IIROC Rules or IIROC Acceptable Practices (as defined below).
5. The Filer currently offers OTC derivatives in which the underlying interests consist of currencies and other asset classes (**CFDs**) to "accredited investors" as defined in National Instrument 45-106 *Prospectus Exemptions (NI 45-106)* and to retail investors pursuant to *In the Matter of OANDA (Canada) Corporation ULC* dated March 24, 2016 (the **Existing Relief**).
6. The Filer wishes to offer CFDs to investors in the Applicable Jurisdictions on the terms and conditions described in this Decision. For the Interim Period (as defined below), the Filer is seeking the Requested Relief in connection with the proposed offering of CFDs in Ontario and intends to rely on this Decision and the Passport System described in MI 11-102 to offer CFDs in the Non-Principal Jurisdictions.
7. In Quebec, the Filer is qualified by the Autorite des marches financiers (**AMF**) pursuant to section 82 of the *Derivatives Act* (Quebec) (the **QDA**) and authorized to market certain forward contracts and CFDs offered to the public, subject to the terms and conditions of its qualification decision and related provisions of the QDA.
8. The Filer understands that staff of the Alberta Securities Commission have public interest concerns with CFD trading by retail clients and, accordingly, the Filer does not intend to offer CFDs to investors in Alberta. The Filer undertakes not to give notice that subsection 4.7(1) of MI 11-102 is intended to be relied upon in Alberta.
9. As a member of IIROC, the Filer is only permitted to enter into CFDs pursuant to the rules and regulations of IIROC (the **IIROC Rules**).
10. In addition, IIROC has communicated to its members certain additional expectations as to acceptable business practices (**IIROC Acceptable Practices**) as articulated in IIROC's paper "Regulatory Analysis of Contracts for Differences (CFDs)" published by IIROC on June 6, 2007, as amended on September 12, 2007, for any IIROC member proposing to offer CFDs to investors. The Filer is in compliance with IIROC Acceptable Practices in offering CFDs. The Filer will continue to offer CFDs in accordance with IIROC Acceptable Practices as may be established from time to time, and will not offer CFDs linked to bitcoin, cryptocurrencies or other novel or emerging asset classes to investors in the Applicable Jurisdictions without the prior written consent of IIROC.
11. The Filer is required by IIROC to maintain a certain level of capital to address the business risks associated with its activities. The capital reporting required by IIROC (as per the calculation in the Form 1 and the Monthly Financial Reports to IIROC) is based predominantly on the generation of financial statements and calculations as to ensure capital adequacy. The Filer, as an IIROC member, is required to have a specified minimum capital which includes having any additional capital required with regards to margin requirements and other risks. This risk calculation is summarized as a risk adjusted capital calculation which is submitted in the firm's Form 1 and required to be kept positive at all times.

Online Trading Platform

12. The Filer's fxTrade platform (the **Trading Platform**) is a proprietary and fully automated internet-based trading platform which allows clients to trade CFDs on an execution-only basis.

13. The Trading Platform is a key component in a comprehensive risk management strategy which will help the Filer's clients and the Filer to manage the risks associated with leveraged products. This risk management system has evolved over many years with the objective of meeting the mutual interests of all relevant parties (including, in particular, clients). These attributes and services are described in more detail below:
- a) *Real-time client reporting.* Clients are provided with a real-time view of their account status. This includes how tick-by-tick price movements affect their account balances and required margins. Clients can view this information at any time by logging into their fxTrade account.
 - b) *Fully automated risk management system.* Clients are instructed that they must maintain the required margin against their position(s). The risk management functionality of the Trading Platform ensures that client positions are closed out when the client no longer maintains sufficient margin in their account to support the position; clients are notified when their account drops below the margin requirement. This risk mitigation system prevents the client from being required to provide additional capital to cover the margin deficiency or losing more than their stated risk capital or cumulative loss limit. This functionality also ensures that the Filer will not incur any credit risk vis-a-vis its customers in respect of CFD transactions.
 - c) *Wide range of order types.* The Trading Platform also provides risk management tools such as stop loss orders, limit orders, contingent orders and upper and lower bounds on market orders. These tools are designed to help clients reduce the risk of loss.
14. The Trading Platform is similar to those developed for on-line brokerages in that the client trades without other communication with, or advice from, the dealer. The Trading Platform is not a "marketplace" as defined in National Instrument 21-101 *Marketplace Operation* since a marketplace is any facility that brings together multiple buyers and sellers by matching orders in fungible contracts in a nondiscretionary manner. The Trading Platform does not bring together multiple buyers and sellers; rather it offers clients access to interbank prices.
15. The Filer is the counterparty to its clients' CFD trades; it will not act as an intermediary, broker or trustee in respect of the CFD transactions. The Filer does not manage any discretionary accounts, nor does it provide any trading advice or recommendations regarding CFD transactions.
16. The Filer has updated its hedging and off-setting practices since the time the Existing Relief was granted. The Filer manages the risk in its clients' position through a hedging strategy, subject to IIROC Rules and IIROC Acceptable Practices. This strategy now involves the Filer automatically offsetting each position against other client positions on a second-by-second basis, and either "hedging" its net exposure by trading with liquidity providers (banks) or using its equity capital, or both. By virtue of this risk management functionality inherent in the Trading Platform, the Filer eliminates both market risk and counterparty risk. The Filer is currently compensated by the "spread" between the bid and ask prices it offers for any currency pair. It does not currently charge any account opening or maintenance fees (except for inactive accounts), commissions, or other charges of any kind. In the event the Filer wishes to introduce any fees, commissions or other charges in respect of CFDs, it will provide not less than the minimum prior written notice required of IIROC member firms wishing to do so.
17. The CFDs are OTC contracts and are not transferable.
18. The ability to lever an investment is one of the principal features of CFDs. Leverage allows clients to magnify investment returns (or losses) by reducing the initial capital outlay required to achieve the same market exposure that would be obtained by investing directly in the underlying currency or instrument.
19. IIROC Rules and IIROC Acceptable Practices set out detailed requirements and expectations relating to leverage and margin for offerings of CFDs. The degree of leverage may be amended in accordance with IIROC Rules and IIROC Acceptable Practices as may be established from time to time.
20. Pursuant to section 13.12 (Restriction on lending to clients) of National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations (NI 31-103)* only those firms that are registered as investment dealers (a condition of which is to be a member of IIROC) may lend money, extend credit or provide margin to a client.

Structure of CFDs

21. A CFD is a derivative product that allows clients to obtain economic exposure to the price movement of an underlying instrument, such as a share, index, market sector, currency pair, treasury or commodity, without the need for ownership and physical settlement of the underlying instrument. Unlike certain OTC derivatives, such as forward contracts, CFDs do not require or oblige either the principal counterparty (being the Filer for the purposes of the Requested Relief) nor any agent (also being the Filer for the purposes of the Requested Relief) to deliver the underlying instrument.

22. CFDs to be offered by the Filer will not confer the right or obligation to acquire or deliver the underlying security or instrument itself, and will not confer any other rights of shareholders of the underlying security or instrument, such as voting rights. Rather, a CFD is a derivative instrument which is represented by an agreement between a counterparty and a client to exchange the difference between the opening price of a CFD position and the price of the CFD at the closing of the position. The value of the CFD is generally reflective of the movement in prices at which the underlying instrument is traded at the time of opening and closing the position in the CFD.
23. CFDs to be offered by the Filer allow clients to take a long or short position on an underlying instrument, but unlike futures contracts, they have no fixed expiry date, standard contract size or an obligation for physical delivery of the underlying instrument.
24. CFDs allow clients to obtain exposure to markets and instruments that may not be available directly, or may not be available in a cost- effective manner.

CFDs Distributed in the Applicable Jurisdictions

25. Certain types of CFDs, such as CFDs where the underlying instrument is a security, may be considered to be "securities" under the securities legislation of the Applicable Jurisdictions.
26. Investors wishing to enter into CFD transactions must open an account with the Filer.
27. Prior to a client's first CFD transaction and as part of the account opening process, the Filer will provide the client with a separate risk disclosure document that clearly explains, in plain language, the transaction and the risks associated with the transaction (the **Risk Disclosure Document**). The Risk Disclosure Document includes the required risk disclosure set forth in Schedule A to the Regulations to the QDA and leverage risk disclosure required under IIROC Rules. The Risk Disclosure Document contains disclosure that is substantially similar to the risk disclosure statement required for recognized options in OSC Rule 91-502 *Trades in Recognized Options* (which provides both registration and prospectus exemptions) (**OSC Rule 91-502**) and the regime for OTC derivatives contemplated by OSC Staff Notice 91-702 *Offerings of Contracts for Difference and Foreign Exchange Contracts to Investors* (**OSC SN 91-702**) and proposed OSC Rule 91-504 *OTC Derivatives* (which was not adopted) (**Proposed Rule 91-504**). The Filer will ensure that, prior to a client's first trade in a CFD transaction, a complete copy of the Risk Disclosure Document provided to that client has been delivered, or has previously been delivered, to the Principal Regulator.
28. Prior to the client's first CFD transaction and as part of the account opening process, the Filer will obtain a written or electronic acknowledgement from the client confirming that the client has received, read and understood the Risk Disclosure Document. Such acknowledgement will be prominent and separate from other acknowledgements provided by the client as part of the account opening process.
29. As is customary in the industry, and due to the fact that this information is subject to factors beyond the control of the Filer (such as changes in IIROC Rules), information such as the underlying instrument listing and associated margin rates will not be disclosed in the Risk Disclosure Document. Instead, such information will be part of a client's account opening package and will be available on both the Filer's website and the Trading Platform.

Satisfaction of the Registration Requirement

30. The role of the Filer as it relates to the CFD offering (other than it being the principal under the CFDs) will be limited to acting as an execution-only dealer. In this role, the Filer will, among other things, be responsible to approve all marketing, for holding of client funds, and for client approval (including the review of know-your-client (**KYC**) due diligence and account opening suitability assessments pursuant to NI 31-103).
31. IIROC Rules exempt member firms that provide execution-only services such as discount brokerages from the obligation to determine whether each trade is suitable for a client. However, IIROC has exercised its discretion to impose additional requirements on IIROC members proposing to trade in CFDs and requires, among other things, that:
 - a) applicable Risk Disclosure Documents and client suitability waivers be provided in a form acceptable to IIROC;
 - b) the firm's policies and procedures, amongst other things, require the Filer to assess whether CFD trading is appropriate for a client before an account is approved to be opened. This account opening suitability process includes an assessment of the client's investment knowledge and trading experience, client identification, screening applicants and customers against lists of prohibited/blocked persons, and detecting and reporting suspicious trading and potential terrorist financing and money laundering activities to applicable enforcement authorities;

- c) the Filer's registered supervisors who conduct the KYC and initial product suitability analysis will meet, or be exempted from, the proficiency requirements for futures trading and will be registered with IIROC as Investment Representatives (**IR**) for retail customers in the product category of Futures Contracts and Futures Contract Options. The course proficiency requirements for an IR include the completion of the Canadian Securities Course, Conduct and Practices Handbook, the Derivatives Fundamentals Course and Futures Licensing Course. In addition, the Filer must have a fully qualified Designated Registered Futures and Options Principal; and
 - d) cumulative loss limits for each client's account be established (this is a measure normally used by IIROC in connection with futures trading accounts).
32. The CFDs offered in Canada will be offered in compliance with applicable IIROC Rules and other IIROC Acceptable Practices.
33. IIROC limits the underlying instruments in respect of which member firms may offer CFDs since only certain securities are eligible for reduced margin rates. For example, underlying equity securities must be listed or quoted on certain "recognized exchanges" (as that term is defined in IIROC Rules) such as the Toronto Stock Exchange or the New York Stock Exchange. The purpose of these limits is to ensure that CFDs offered in Canada will only be available in respect of underlying instruments that are traded in well-regulated markets, in significant enough volumes and with adequate publicly available information, so that clients can form a sufficient understanding of the exposure represented by a given CFD.
34. IIROC Rules prohibit the margining of CFDs where the underlying instrument is a synthetic product (single U.S. sector or "mini-indices"). For example, Sector CFDs (i.e., basket of equities for the financial institutions industry) may be offered to non-Canadian clients; however, this is not permissible under IIROC Rules.
35. IIROC members seeking to trade CFDs are generally precluded, by virtue of the nature of the contracts, from distributing CFDs that confer the right or obligation to acquire or deliver the underlying security or instrument itself (convertible CFDs), or that confer any other rights of shareholders of the underlying security or instrument, such as voting rights.
36. The Requested Relief, if granted, would (and the Existing Relief does) substantially harmonize the position of the regulators in the Applicable Jurisdictions on the offering of CFDs to investors in the Applicable Jurisdictions with how those products are offered to investors in Quebec under the QDA. The QDA provides a legislative framework to govern derivatives activities within Quebec. Among other things, the QDA requires such products to be offered to investors through an IIROC member and the distribution of a standardized risk disclosure document rather than a prospectus in order to distribute such contracts to investors resident in Quebec.
37. The Requested Relief, if granted, would be (and the Existing Relief is) consistent with the guidelines articulated by staff of the Principal Regulator in OSC SN 91-702. OSC SN 91-702 provides guidance with regards to the distributions of CFDs, foreign exchange contracts and similar OTC derivative products to investors in the Jurisdiction.
38. The Principal Regulator has previously recognized that the prospectus requirement may not be well suited for the distribution of certain derivative products to investors in the Jurisdiction, and that alternative requirements, including requirements based on clear and plain language risk disclosure, may be better suited for certain derivatives.
39. In Ontario, both OSC Rule 91-502 and OSC Rule 91-503 *Trades in Commodity Futures Contracts and Commodity Futures Options Entered into on Commodity Futures Exchanges Situated Outside Ontario (OSC Rule 91-503)* provide for a prospectus exemption for the trading of derivative products to clients. The Requested Relief is consistent with the principles and requirements of OSC Rule 91-502, OSC Rule 91-503 and Proposed Rule 91-504.
40. The Filer submits that the Requested Relief, if granted, would (and the Existing Relief does) harmonize the Principal Regulator's position on the offering of CFDs with certain other foreign jurisdictions that have concluded that a clear, plain language risk disclosure document is appropriate for retail clients seeking to trade in foreign exchange contracts.
41. The Filer is of the view that requiring compliance with the prospectus requirement in order to enter into CFDs with retail clients would not be appropriate since the disclosure of a great deal of the information required under a prospectus and under the reporting issuer regime is not material to a client seeking to enter into a CFD transaction. The information to be given to such a client should principally focus on enhancing the client's appreciation of product risk including counterparty risk. In addition, most CFD transactions are of short duration (positions are generally opened and closed on the same day) and are in any event marked to market and cash settled daily.

42. The Filer is regulated by IIROC, which has a robust compliance regime including specific requirements to address market, capital and operational risks.
43. The Filer submits that the regulatory regimes developed by the AMF and IIROC for CFDs adequately address issues relating to the potential risk to the clients of the Filer acting as counterparty. In view of these regulatory regimes, investors would receive little or no additional benefit from requiring the Filer to also comply with the prospectus requirement.
44. The Requested Relief in respect of each Applicable Jurisdiction is conditional on the Filer being registered as an investment dealer with the Commission in such Applicable Jurisdiction and maintaining its membership with IIROC and that all CFD transactions be conducted pursuant to IIROC Rules and in accordance with IIROC Acceptable Practices.

Decision

The Principal Regulator is satisfied that the test set out in the Legislation to make the Decision is met.

The Decision of the Principal Regulator is that the Requested Relief is granted provided that:

- (a) all CFDs traded with residents in the Applicable Jurisdictions shall be executed through the Filer;
- (b) with respect to residents of an Applicable Jurisdiction, the Filer remains registered as a dealer in the category of investment dealer with the Principal Regulator and the Commission in such Applicable Jurisdiction and a member of IIROC;
- (c) all CFD transactions with clients resident in the Applicable Jurisdictions shall be conducted pursuant to IIROC Rules imposed on members seeking to trade in CFDs and in accordance with IIROC Acceptable Practices, as amended from time to time;
- (d) all CFD transactions with clients resident in the Applicable Jurisdictions be conducted pursuant to the rules and regulations of the QDA and the AMF, as amended from time to time, unless and to the extent there is a conflict between i) the rules and regulations of the QDA and the AMF and ii) the requirements of the securities laws of the Applicable Jurisdictions, the IIROC Rules and IIROC Acceptable Practices, in which case the latter shall prevail;
- (e) prior to a client first entering into a CFD transaction, the Filer has provided to the client the Risk Disclosure Document and has delivered, or has previously delivered, a copy of the Risk Disclosure Document provided to that client to the Principal Regulator;
- (f) prior to the client's first CFD transaction and as part of the account opening process, the Filer has obtained a written or electronic acknowledgement from the client, as described in paragraph 28, confirming that the client has received, read and understood the Risk Disclosure Document;
- (g) the Filer has furnished to the Principal Regulator the name and principal occupation of its officers and directors, together with either the personal information form and authorization of indirect collection, use and disclosure of personal information provided for in National Instrument 41-101 *General Prospectus Requirements* or the registration information form for an individual provided for in Form 33-109F4 of National Instrument 33-109 *Registration Information* completed by any officer or director;
- (h) the Filer shall promptly inform the Principal Regulator in writing of any material change affecting the Filer, being any change in the business, activities, operations or financial results or condition of the Filer that may reasonably be perceived by a counterparty to a derivative to be material;
- (i) the Filer shall promptly inform the Principal Regulator in writing if a self-regulatory organization or any other regulatory authority or organization initiates proceedings or renders a judgment related to disciplinary matters against the Filer concerning the conduct of activities with respect to CFDs;
- (j) within 90 days following the end of its financial year, the Filer shall submit to IIROC, and to the Principal Regulator upon request, the audited annual financial statements of the Filer; and

- (k) the Requested Relief shall immediately expire upon the earliest of
- i. four years from the date that this Decision is issued;
 - ii. in respect of a subject Applicable Jurisdiction or Quebec, the issuance of an order or decision by a court, the Commission in such Applicable Jurisdiction, the AMF (in respect of Quebec) or other similar regulatory body that suspends or terminates the ability of the Filer to offer CFDs to clients in such Applicable Jurisdiction or Quebec; and
 - iii. with respect to an Applicable Jurisdiction, the coming into force of legislation or a rule by any Commission regarding the distribution of CFDs to investors in such Applicable Jurisdiction
- (the **Interim Period**).

It is further the Decision of the Principal Regulator that the Existing Relief is hereby revoked.

"Lawrence Haber"
Commissioner
Ontario Securities Commission

"Poonam Puri"
Commissioner
Ontario Securities Commission

2.1.5 Mackenzie Financial Corporation and IPC Investment Corporation

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Relief from the requirement in s. 3.2.01 of NI 81-101 to deliver a fund facts document to investors for subsequent purchases of mutual fund securities made pursuant to the Systematic DSC to Unbundled Switching Program.

Applicable Legislative Provisions

National Instrument 81-101 Mutual Fund Prospectus Disclosure, ss. 3.2.01 and 6.1.

December 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
MACKENZIE FINANCIAL CORPORATION
(Mackenzie)

AND

IPC INVESTMENT CORPORATION
(the Representative Dealer, and together with Mackenzie, the Filers)

DECISION

Background

The principal regulator in the Jurisdiction has received an application (the **Application**) from Mackenzie on behalf the Funds (as defined below) and the Representative Dealer for a decision under the securities legislation of the Jurisdiction (the **Legislation**):

Exempting each dealer who trades in securities of the Funds (a **Dealer**) from the requirement in subsection 3.2.01(1) of NI 81-101 to deliver or send the most recently filed fund facts document (the **Fund Facts**) to an investor before a dealer accepts an instruction from an investor for the purchase of a security of a mutual fund (the **Fund Facts Delivery Requirement**) where the Fund Facts Delivery Requirement arises in respect of purchases of securities of the Funds made pursuant to the Systematic DSC to Unbundled Series Switching Program (as defined below) (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 Filers have provided notice that section 4.7(1) of Multilateral Instrument 11-102 *Passport System* (**MI 11-102**) is intended to be relied upon in British Columbia, Alberta, Saskatchewan, Manitoba, Québec, New Brunswick, Nova Scotia, Prince Edward Island, Newfoundland and Labrador, the Northwest Territories, Nunavut and Yukon (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.

Representations

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

Mackenzie

1. Mackenzie is a corporation amalgamated under the laws of Ontario with its head office in Toronto, Ontario.
2. Mackenzie is registered as an investment fund manager, portfolio manager, exempt market dealer and commodity trading manager in Ontario. Mackenzie is also registered as a portfolio manager and exempt market dealer in the Other Jurisdictions and as an investment fund manager in Newfoundland and Labrador and Québec.
3. Mackenzie is the manager of mutual funds (the **Existing Funds**), each of which is subject to the requirements of National Instrument 81-102 *Investment Funds (NI 81-102)*. Mackenzie may in the future become the manager of additional funds that are subject to the requirements of NI 81-102 (the **Future Funds**, and together with the Existing Funds, the **Funds** and, individually a **Fund**).
4. Mackenzie and the Existing Funds are not in default of the securities legislation of Ontario or the Other Jurisdictions.

The Representative Dealer

5. Securities of the Funds are, or will be, distributed through dealers that include the Representative Dealer (the **Dealers**, and each, a **Dealer**).
6. The Representative Dealer is registered as a mutual fund dealer in the Jurisdictions and registered as an exempt market dealer in Alberta, British Columbia, New Brunswick, Newfoundland and Labrador, Ontario and Saskatchewan.
7. Each Dealer is, or will be, registered as a dealer in one or more of the provinces and territories of Canada. The Dealers are, or will be, members of either the Investment Industry Regulatory Organization of Canada or the Mutual Fund Dealers Association of Canada.
8. The Representative Dealer is not in default of the securities legislation of Ontario or the Other Jurisdictions.

The Funds

9. Each Fund is, or will be, an open-end mutual fund trust created under the laws of Ontario or an open-end mutual fund that is a class of shares of a mutual fund corporation incorporated under the laws of Ontario.
10. Each Fund is, or will be, a reporting issuer under the laws of Ontario and the Other Jurisdictions and subject to NI 81-102. The securities of the Funds are, or will be, qualified for distribution pursuant to a simplified prospectus, Fund Facts and annual information form that have been, or will be, prepared and filed in accordance with National Instrument 81-101 *Mutual Fund Prospectus Disclosure (NI 81-101)*, except for certain series of the Funds that were previously offered under simplified prospectus and are currently closed to new investors or were created for implementing mergers but were never offered to the public by way of simplified prospectus, named Series B8, DZ, E, E5, E6, E8, J, J6, J8 and SA.
11. The Funds currently offer up to 39 series of securities – Series A, AR, B, C, D, DA, F, F5, F6, F8, FB, FB5, G, GP, I, O, O6, PW, PWB, PWF, PWF5, PWF8, PWFB, PWFB5, PWT5, PWT6, PWT8, PWX, PWX5, PWX8, S5, S6, S8, SC, SP, T5, T6, T8 and Investor Series securities, under a simplified prospectus, annual information form and Fund Facts dated September 28, 2018. Mackenzie may also offer additional series of the Funds in the future.
12. Mackenzie offers four main purchase options: the sales charge purchase option (**SCS option**), the low-load 2 purchase option (**LL2**), the low-load 3 purchase option (**LL3**), and the redemption charge purchase option (RCS and, together with LL3 and LL2, the **Deferred Sales Charge options** or **DSC options**). Under the SCS option, investors may have to pay a negotiated commission to their dealer at the time they purchase securities, while under the Deferred Sales Charge options, no commission is paid by the investor at the time of purchase, but the investor will be required to pay a redemption fee if he or she redeems within a certain period of time from the date of purchase.
13. Once the redemption fee schedule expires for each of the DSC options, the securities will become matured units (**Matured Units**) and will no longer be subject to a redemption fee.
14. Securities purchased under the LL2 purchase option will become Matured Units two years from the date of purchase, securities purchased under the LL3 purchase option will become Matured Units three years from the date of purchase,

and securities purchased under the RCS purchase option will become Matured Units seven years from the date of purchase.

15. When the redemption fee schedule expires for investors who hold securities purchased under any of the DSC options, those securities will be automatically switched to the SCS option of the same series (i.e. Series A, B, C, T5, T6 or T8), or if eligible, they will be automatically switched to the corresponding Private Wealth Series (i.e Series PW, PWT5, PWT6 or PWT8, as applicable) which have lower combined management and administration fees.
16. For series of certain Funds that do not offer both a DSC option and a SCS option, Series A, T6 or T8 Matured Units will be automatically switched to Series SC, S6 or S8. The Filers obtained exemptive relief dated September 27, 2016 from the Fund Facts Delivery requirement for these automatic switches. In all cases where Series SC, S6 or S8 is available, it has lower combined management and administration fees than Series A, T6 or T8.
17. The automatic switches referred to in paragraphs 15 and 16 above, are referred to as the **Matured Unit Switches**. The Matured Unit switches occur on the second Friday of the month following the expiry of the redemption fee schedule for each DSC unit.
18. Securities purchased under the SCS option or securities that were previously automatically switched from the DSC option to the SCS option, as described in paragraphs 16 and 17 above, will automatically be switched to the corresponding Private Wealth Series once the investor becomes eligible for Private Wealth Series. These switches are referred to as the **Retail to Private Wealth Series Switches**. Retail to Private Wealth Series Switches will occur the following business day after an investor meets the eligibility criteria for Private Wealth Series through a purchase or switch transaction. In addition, Retail to Private Wealth Series Switches will also occur on the second Friday of every month if positive market movement has allowed the investor to qualify for Private Wealth Series. The Filers obtained exemptive relief dated September 28, 2018 from the Fund Facts Delivery Requirement for Retail to private Wealth Series Switches.
19. The Existing Funds are not in default of securities legislation in any of the Jurisdictions.

Systematic DSC to Unbundled Series Switching Program

20. Mackenzie is starting an optional service after December 3, 2018 (the **Implementation Date**) which will allow investors to elect to automatically switch Matured Units originally purchased under a DSC option of Series A, Series B, Series C, Series T5, Series T6 or Series T8 to an Unbundled Series (defined below) of the same Fund.
21. This service will be called the Systematic DSC to Unbundled Switching Program (the **Program**). The choices available to an investor who participates in the Program are set out in Schedule A.
22. **Unbundled Series** consist of Series F, Series F5, Series F6, Series F8, Series FB, Series FB5, Series PWFB, Series PWFB5, Series PWX, Series PWX5 and Series PWX8 and any other Unbundled Series that may be launched by the Filer in the future. Each of the Unbundled Series has lower combined management and administration fees than the Bundled Series.
23. When an investor qualifies for Private Wealth Series, all of the investor's existing Retail Bundled Series (defined below) will automatically be switched to the chosen Unbundled Series, instead of the corresponding Private Wealth Bundled Series (defined below). These switches, together with the switches described in paragraph 21 above, are referred to as the **Automatic Switches**.
24. **Bundled Series** are series with an embedded management and administration fee and consist of Series A, Series B, Series C, Series T5, Series T6, Series T8, Series SC, Series S6, Series S8 (together the **Retail Bundled Series**) and Series PW, Series PWT5, Series PWT6 and Series PWT8 (together the **Private Wealth Bundled Series**).
25. The Program will allow an investor, in consultation with his or her Dealer, to automatically switch Matured Units to Unbundled Series as the Matured Units reach the expiry of their redemption schedule. Once the investor becomes eligible for Private Wealth Series, it will also allow that investor to automatically switch Matured Units and other Bundled Series purchased under an SCS option to the chosen Unbundled Series.
26. Each of the Unbundled Series has lower combined management and administration fees than the Bundled Series.
27. Unbundled Series do not charge an embedded trailing commission but instead the investor will pay a negotiated advisor service fee or asset-based fee to their Dealer.
28. Investors must negotiate an advisor service fee or an asset-based fee with their Dealer and sign an agreement in order to purchase Unbundled Series and be eligible to participate in the Program.

29. All investors are eligible to participate in the Program so long as they have entered into the required fee-for-service or asset-based fee agreement with their Dealer, filled out the applicable forms which indicate into which Unbundled Series they would like their Matured Units to be automatically switched, and the Dealer has submitted the required documentation to Mackenzie in good order (the **Investor Instructions**).
30. Dealers will provide the Fund Facts for each of the series invested in by investors under the Program as required by the Fund Facts Delivery Requirement when the investor first agrees to invest in the Unbundled Series and participate in the Program.
31. Mackenzie exercises no discretion in carrying out the Program and acts only according to the redemption schedule of the Matured Units and according to the terms of the Program.
32. The Investor Instructions are provided when the investor agrees with the Dealer to automatically switch their Matured Units to Unbundled Series on a systematic basis in accordance with the redemption schedule. An investor may terminate the instructions, or give amended instructions, at any time to his or her Dealer.
33. The Program is described in the Prospectus of the Funds dated September 28, 2018.
34. The Automatic Switches made pursuant to the Program entail a redemption of Matured Units immediately followed by a purchase of the chosen Unbundled Series of the same Fund, which triggers the Fund Facts Delivery Requirement.

Fund Facts Delivery Relief

35. Pursuant to the Fund Facts Delivery Requirement, a dealer is required to deliver the most recently filed Fund Facts of a series of a fund to an investor before the dealer accepts an instruction from the investor for the purchase of securities of that series of the Fund.
36. It is not possible for Dealers monitor the redemption schedule of every security purchased under a DSC purchase option to know when they will become Matured Units and deliver a new Fund Facts for the chosen Unbundled Series at each point in time so that the Fund Facts Delivery Requirement can be satisfied in advance of every Automatic Switch made pursuant to the Program.
37. In the absence of the Requested Relief, the Dealer would be required to deliver the most recently filed Fund Facts, in accordance with the Fund Facts Delivery Requirement in advance of each Automatic Switch that is made upon the expiry of the redemption schedule of the Matured Units to the Unbundled Series and in advance of each Automatic Switch that is made to the chosen Unbundled Series when the investor qualifies for Private Wealth Series.
38. The Automatic Switches made pursuant to the Program will have no adverse tax consequences on investors under current Canadian tax 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:

1. Each investor who participates in the Program has negotiated an advisor service fee or asset-based fee with their Dealer, has filled out the applicable Program forms and submitted their Investor Instructions to Mackenzie;
2. When the investor first agrees to participate in the Program and invest in the Unbundled Series, the Dealer will provide the investor with the applicable Fund Facts;
3. Each investor who participates in the Program will be advised by their Dealer the circumstances in which the Automatic Switches will be made and that they will not receive the Fund Facts for subsequent Automatic Switches that are made after the first Automatic Switch made pursuant to the Program;
4. Mackenzie incorporates disclosure in the simplified prospectus for each Fund that describes the Program and sets out the fees applicable to securities purchased under a DSC option, SCS option and Unbundled Series;

5. Each new investor who participates in the Program, receives written information that states,
 - a. subject to condition 6, the investor will not receive the Fund Facts after the date of the notice, unless the investor specifically requests it,
 - b. the investor is entitled to receive upon request, at no cost to the investor, the most recently filed Fund Facts for the relevant series by calling a specified toll-free number, or by sending a request by mail or e-mail to a specified address or e-mail address,
 - c. how to access the Fund Facts electronically;
 - d. the investor will not have a right of withdrawal under securities legislation for subsequent purchases of a security of any Funds under the Program, but will continue to have a right of action if there is a misrepresentation in the Prospectus or any document incorporated by reference into the Prospectus, and
 - e. the investor may terminate their participation in the Program at any time;
6. At least annually during the term of the Program, an applicable Dealer notifies the investor in writing of how the investor can request the most recently filed Fund Facts;
7. An applicable Dealer delivers or sends the most recently filed Fund Facts to the investor if the investor requests it;
8. The Filers provide to the principal regulator, on an annual basis, beginning 60 days after the date upon which the Fund Facts Delivery Relief is first relied upon by a Dealer, either:
 - a. a current list of all such Dealers that are relying on the Fund Facts Delivery Relief; or
 - b. an update to the list of such Dealers or confirmation that there has been no change to such list; and
9. Prior to a Dealer relying on the Fund Facts Delivery Relief, the Filers provide to the Dealer a disclosure statement informing the Dealer of the implications of this decision.

“Stephen Paglia”
Manager
Investment Funds and Structured Products Branch
Ontario Securities Commission

SCHEDULE A

From (Retail Bundled Series)	To Unbundled Series (where investor has under \$100,000)	To Unbundled Series (where investor has over \$100,000)
A	F or FB	F or PWFB or PWX
B	F or FB	F or PWFB or PWX
T5	F5 or FB5	F5 or PWFB5 or PWX5
T6	F6 or FB5	F6 or PWFB5 or PWX5
T8	F8 or FB5	F8 or PWFB5 or PWX8
SC (SCS only)		F or PWFB or PWX
S5 (SCS only)		F5 or PWFB5 or PWX5
S8 (SCS only)		F8 or PWFB5 or PWX8

2.1.6 Stans Energy Corp.

Headnote

Multilateral Instrument 11-102 Passport System and National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions - Application for relief from filing two material contracts in section 12.2 of NI 51-102 – The issuer entered into two agreements to fund litigation related to the loss of its only material property; the funding agreements contain commercially sensitive and confidential information, and may be subject to privilege in connection with the litigation; the issuer determined that disclosure of the funding agreements, even in a redacted form, would be seriously prejudicial to the issuer; the issuer has filed two material change reports that contain sufficient alternative information about the material contracts.

Applicable Legislative Provisions

National Instrument 51-102 Continuous Disclosure Obligations, ss. 12.2 and 13.1.

March 14, 2019

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
STANS ENERGY CORP.
(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 the Filer be exempt from the requirement to file two litigation funding agreements as material contracts (the **Exemption Sought**).

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

- (a) the Ontario Securities Commission is the principal regulator for this application, and
- (b) the Filer has provided notice that section 4.7(1) of Multilateral Instrument 11-102 *Passport System* (**MI 11-102**) is intended to be relied upon in British Columbia and Alberta.

Interpretation

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

Representations

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

The Filer

1. The Filer's head office is located at 1 Yonge Street, Unit 1011 Toronto, ON, M5E 1E5.

2. The Filer is a reporting issuer in British Columbia, Alberta, and Ontario; the Filer's common shares are listed on the TSX Venture Exchange under the symbol "HRE".
3. The Filer's principal business activities were the acquisition, exploration, development and operation of uranium and rare earth mineral properties. In particular, the Filer held interests in certain mines, mineral resource properties, and processing facilities in Kyrgyzstan.

Kyrgyz Republic Litigation

4. In June 2012, a committee of the Kyrgyz Parliament demanded that the Filer's licence agreement for its principal property, known as "Kutessay II", be cancelled. During the year ended December 31, 2013, the Kyrgyz State Prosecutor's Office initiated legal proceedings against the Government Agency to revoke the mineral property licenses awarded by the said Agency to the Filer through an auction process held in 2009. In March 2014, the Inter District court of Bishkek ruled in favour of the Kyrgyz State Prosecutor's Office. The Filer appealed this decision in various courts in the Kyrgyz Republic (the **Republic**) and in 2015 the Kyrgyz Supreme Court dismissed the Filer's appeal. Consequently, the Filer has no right for further appeal in the Republic.
5. In October 2013, the Filer commenced arbitration against the Republic in connection with the legal proceeding initiated by the Republic in the Arbitration Court at the Moscow Chamber of Commerce and Industry (the **MCCI Tribunal**). In June 2014, the MCCI Tribunal awarded the Filer USD\$118 million as a recovery of damages from the Republic. This award was subsequently challenged by the Republic in the courts of the Russian Federation on a jurisdictional basis, and in January 2016, the Supreme Court of the Russian Federation in its final decision upheld the ruling of the lower court to set aside the MCCI Tribunal award. Appeals in the Russian Federation have now been exhausted.
6. The Filer's Kyrgyz assets were its only material assets. While the Filer is pursuing prospective rare earth and rare metals projects in Russia, the Filer has no other significant mineral properties or projects and currently has no active cash-flow generating business.
7. The Filer's sole recourse to seek compensation from the Kyrgyz government is international arbitration.
8. In May 2015, the Filer commenced an arbitration against the Republic under the 1976 rules of the United Nations Commission on International Trade Law (the **UNCITRAL Rules**) claiming damages arising from the Republic's wrongful conduct toward the Filer's investments in Kyrgyzstan that culminated in the termination of the mining licenses for its Kutessay II and Kalesay properties. The Filer and the Republic subsequently agreed that this arbitration (the **UNCITRAL Arbitration**) would be administered by the secretariat of the Permanent Court of Arbitration in the Hague with a judicial seat in London, England. After a tribunal was appointed in the UNCITRAL Arbitration, the Filer filed a statement of claim on January 29, 2016 claiming USD\$219 million in damages and interest from the Republic. The tribunal in the UNCITRAL Arbitration subsequently decided that the proceedings would be bifurcated into a jurisdictional phase and a merits phase. Consequently, after the exchange of written pleadings on these jurisdictional issues, a hearing took place on September 23, 2016.
9. On January 25, 2017, the UNCITRAL tribunal unanimously rejected the Republic's preliminary jurisdictional objections and opened the way for adjudication of the merits of the UNCITRAL Arbitration. A hearing on the merits took place from April 9 to 13, 2018. Post hearing submissions are in process.

Litigation Funding Agreement and Capital Provision Agreement

10. On June 3, 2015, the Filer entered into a litigation funding agreement (the **LFA**) with Stonebury Limited (the **Funder**), a Guernsey subsidiary of the Calunius Litigation Risk Fund 2 LP (the **Fund**) to finance the Filer's costs in connection with the international arbitration on a non-recourse basis. The Fund is advised by Calunius Capital LLP, which is based in London, England and specializes in funding commercial litigation and international arbitration claims.
11. Under section 12.2 of National Instrument 51-102 *Continuous Disclosure Obligations* (**NI 51-102**), the Filer is required to file the LFA as a material contract.
12. The entering into the LFA was publicly disclosed in a news release filed on June 8, 2015. The Filer's periodic financial disclosure also discloses expenses that qualify for recovery under the LFA.
13. On October 2, 2018, the Filer issued and filed a material change report (**MCR#1**) disclosing the Filer's entry into the LFA, providing background on the Funder, and describing the key terms of the LFA that are not commercially sensitive.
14. In March 2018, the Filer entered into a further litigation funding agreement described as a capital provision agreement (the **CPA**) with Gillham LLC and Lucille Investments LLC (together the **New Funders**) for the provision of additional

capital to assist in the funding of the Filer's legal costs and to provide funding towards ongoing corporate overhead costs, in relation to the international arbitration proceedings on a non-recourse basis. The New Funders are Delaware entities established for purposes of entering into and performing capital provision agreements generally.

15. Under section 12.2 of NI 51-102, the Filer is required to file the CPA as a material contract.
16. The entering into of the CPA was publicly disclosed in a news release filed on April 2, 2018. The Filer's periodic financial disclosure also discloses expenses that qualify for recovery under the CPA.
17. On October 2, 2018, the Filer issued and filed a material change report (the **MCR#2**) disclosing the Filer's entry into the CPA, providing background on the New Funders, and describing the key terms of the CPA that are not commercially sensitive.
18. The LFA and the CPA (together the **Litigation Funding Agreements**) may be subject to privilege in connection with the Filer's ongoing litigation involving the Kyrgyz government, and any public disclosure of their substantive terms (beyond that contained in MCR#1 and MCR#2), even in a redacted form, would run the risk of waiving the privilege in the course of its ongoing litigation, which would be seriously prejudicial to the Filer's interests.
19. Disclosure of the LFA would also place the Filer in violation of confidentiality provisions in the LFA and would compromise the Filer's ongoing relationship with the Funder.
20. Disclosure of the CPA would also place the Filer in violation of confidentiality provisions in the CPA and would compromise the Filer's ongoing relationship with the New Funders.
21. MCR#1 and MCR#2 disclose the key terms of the respective Litigation Funding Agreements. Disclosure of the Litigation Funding Agreements in a redacted form would not provide additional information that would be material to an investor for purposes of making an investment decision.
22. The Filer is not in default of any requirement of securities legislation in any jurisdiction of Canada, except that it has not filed either of the Litigation Funding Agreements as a material contract.

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.

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

2.2 Orders

2.2.1 Welcome Place Inc. et al. – s. 17

FILE NO.: 2019-14

IN THE MATTER OF
WELCOME PLACE INC.,
DANIEL MAXSOOD also known as
MUHAMMAD M. KHAN,
TAO ZHANG and
TALAT ASHRAF

M. Cecilia Williams, Commissioner and Chair of the Panel

April 23, 2019

ORDER
(Section 17 of the
Securities Act, RSO 1990, c S.5)

WHEREAS the Ontario Securities Commission (the **Commission**) held a hearing in writing, to consider the confidential application made by Staff of the Commission (**Staff**) for an Order authorizing Staff to disclose certain radio advertisements, and related transcripts of such advertisements to the Ministry of the Attorney General's Civil Remedies for Illicit Activities Office (**CRIA**) pursuant to subsection 17(1)(b) of the *Securities Act*, RSO 1990, c S.5 (the **Act**);

ON READING the materials filed by Staff on April 10, 2019;

IT IS ORDERED THAT:

1. pursuant to section 5.1 of the *Statutory Powers Procedure Act*, RSO 1990, c S.22 and Rules 12(2) and 23(2) of the Commission's *Rules of Procedure and Forms* (2017), 40 OSCB 8988, this confidential application is heard in writing;
2. pursuant to subsection 17(1)(b) of the Act, Staff is authorized to disclose certain radio advertisements, and related transcripts of such advertisements, (the **Requested Records**) to CRIA; and
3. pursuant to subsection 17(2.1) of the Act, disclosure of the Requested Records is authorized to be made without notice and without an opportunity to be heard.

"M. Cecilia Williams"

2.2.2 Dynex Power Inc.

Headnote

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

Applicable Legislative Provisions

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

April 16, 2019

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

AND

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

AND

IN THE MATTER OF
DYNEX POWER INC.
(the "Filer")

ORDER

Background

The principal regulator in the Jurisdiction has received an application from the Filer for an order under the securities legislation of the Jurisdiction of the principal regulator (the "**Legislation**") that the Filer has ceased to be a reporting issuer in all jurisdictions of Canada in which it is a reporting issuer (the "**Order Sought**").

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

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

Interpretation

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

Representations

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

1. the Filer is not an OTC reporting issuer under Multilateral Instrument 51-105 *Issuers Quoted in the U.S. Over-the-Counter Markets*;
2. the outstanding securities of the Filer, including debt securities, are beneficially owned, directly or indirectly, by fewer than 15 securityholders in each of the jurisdictions of Canada and fewer than 51 securityholders in total worldwide;
3. no securities of the Filer, including debt securities, are traded in Canada or another country on a marketplace as defined in National Instrument 21-101 *Marketplace Operation* or any other facility for bringing together buyers and sellers of securities where trading data is publicly reported; and
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;
5. the Filer is not in default of securities legislation in any jurisdiction.

Order

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

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

“Winnie Sanjoto”
Manager, Corporate Finance
Ontario Securities Commission

2.2.3 Majd Kitmitto et al.

FILE NO.: 2018-70

**IN THE MATTER OF
MAJD KITMITTO,
STEVEN VANNATTA,
CHRISTOPHER CANDUSSO,
CLAUDIO CANDUSSO,
DONALD ALEXANDER (SANDY) GOSS,
JOHN FIELDING AND
FRANK FAKHRY**

M. Cecilia Williams, Commissioner and Chair of the Panel

April 24, 2019

ORDER

WHEREAS on April 24, 2019 the Ontario Securities Commission held a hearing 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 the representatives for Majd Kitmitto, Christopher Candusso, Claudio Candusso, Donald Alexander (Sandy) Goss, John Fielding and Frank Fakhry, and Steven Vannatta on his own behalf (the **Respondents**);

IT IS ORDERED THAT:

1. each Respondent shall serve and file a motion, if any, regarding Staff's disclosure or seeking disclosure of additional documents no later than June 28, 2019;
2. Staff shall serve and file any motion materials in reply, if any, no later than July 5, 2019; and
3. an attendance is scheduled for July 15, 2019 at 10:00 a.m. or such other dates and times as provided by the Office of the Secretary and agreed to by the parties, and a disclosure motion, if any, will also be heard at this time.

“M. Cecilia Williams”

**2.2.4 Trilogy Mortgage Group Inc. and Trilogy
Equities Group Limited Partnership – s. 127(8)**

FILE NO.: 2018-21

**IN THE MATTER OF
TRILOGY MORTGAGE GROUP INC. and
TRILOGY EQUITIES GROUP LIMITED PARTNERSHIP**

D. Grant Vingoe, Vice-Chair and Chair of the Panel

April 24, 2019

ORDER

(Subsection 127(8) of the
Securities Act, RSO 1990 c S.5)

WHEREAS the Ontario Securities Commission (the **Commission**) held a hearing on April 24, 2019 to consider a motion by staff of the Commission (**Staff**) to further extend a temporary order dated April 16, 2018 (the **Temporary Order**) and extended on April 26, 2018, September 10, 2018, and March 29, 2019;

ON HEARING the submissions of the representatives for Staff, no one appearing for Trilogy Mortgage Group Inc. (**TMG**) and Trilogy Equities Group Limited Partnership (**TEGLP**);

IT IS ORDERED, with reasons to follow, that:

1. the Temporary Order is extended until the conclusion of the hearing on the merits in relation to the Statement of Allegations naming TMG and TEGLP as respondents, dated March 29, 2019.

“D. Grant Vingoe”

2.2.5 Natural Bee Works Apiaries Inc. et al.

FILE NO.: 2018-40

**IN THE MATTER OF
NATURAL BEE WORKS APIARIES INC.,
RINALDO LANDUCCI and
TAWLIA CHICKALO**

D. Grant Vingoe, Vice-Chair and Chair of the Panel

April 26, 2019

ORDER

WHEREAS on April 22, 23, 24, 25 and 26, 2019, the Ontario Securities Commission (**Commission**) held the merits hearing at the offices of the Commission, located at 20 Queen Street West, 17th Floor, Toronto, Ontario, and the evidence portion of the merits hearing was completed;

ON HEARING the oral submissions of Staff of the Commission (**Staff**) appearing in person, Tawlia Chickalo on her own behalf participating by video-conference, Rinaldo Landucci on his own behalf and on behalf of Natural Bee Works Apiaries Inc., participating by video-conference;

IT IS ORDERED THAT:

1. Staff shall file written closing submissions on the merits by 5:00 p.m. (EST) on May 10, 2019;
2. each of Natural Bee Works Apiaries Inc., Rinaldo Landucci and Tawlia Chickalo shall file written closing submissions on the merits, including a statement regarding the necessity of oral closing submissions, by 5:00 p.m. (EST) on May 16, 2019;
3. Staff shall file written submissions on the merits in reply, if any, including a statement regarding the necessity of oral closing submissions, by 5:00 p.m. (EST) on May 21, 2019; and
4. oral closing submissions on the merits, if any, shall be heard on May 23, 2019 at 12:30 p.m. (EST), or on such other dates and times as provided by the Office of the Secretary and agreed to by the parties.

“D. Grant Vingoe”

2.2.6 3iQ Corp. and The Bitcoin Fund – s. 8

FILE NO.: 2019-7

**IN THE MATTER OF
3IQ CORP. and T
HE BITCOIN FUND**

M. Cecilia Williams, Commissioner and Chair of the Panel

April 26, 2019

ORDER

(Section 8 of the
Securities Act, RSO 1990, c S.5)

WHEREAS on April 24, 2019, the Ontario Securities Commission held a hearing at the offices of the Commission, located at 20 Queen Street West, 17th Floor, Toronto, Ontario, to consider scheduling issues for the Application for a hearing and review filed by 3iQ Corp. and The Bitcoin Fund (the “**Applicants**”) on March 15, 2019 to review a decision of a Director of the Commission dated February 15, 2019;

ON HEARING the submissions of the representatives for the Applicants and for Staff of the Commission (“**Staff**”);

IT IS ORDERED THAT:

1. By no later than May 17, 2019, Staff shall serve and file the affidavit evidence on which Staff intends to rely;
2. By no later than May 29, 2019, the Applicants shall serve and file the reply affidavit evidence, if any, on which they intend to rely;
3. By no later than June 3, 2019, Staff shall serve and file a witness list and serve (but not file) witness summaries, if any, in relation to Staff’s intention to call evidence in reply to facts arising from the Applicants’ reply affidavit evidence;
4. By no later than June 4, 2019, the Applicants shall serve and file a witness list and serve (but not file) witness summaries, if any, in relation to the Applicants’ intention to call evidence in reply to facts arising from Staff’s witness summaries;
5. By no later than June 26, 2019, Staff shall serve and file a memorandum of fact and law and book of authorities;
6. By no later than July 3, 2019, the Applicants shall serve and file a responding memorandum of fact and law and book of authorities;
7. By no later than July 8, 2019, Staff shall serve and file a reply memorandum of fact and law and book of authorities, if any; and

8. The Application for hearing and review will be heard on June 3, 6 and 7 and July 12, 2019, commencing at 10:00 a.m. on each scheduled day, or on such other dates or times as may be agreed to by the parties and set by the Office of the Secretary.

“M. Cecilia Williams”

2.2.7 Natural Bee Works Apiaries Inc. et al. – s. 127(8)

FILE NO.: 2018-7

IN THE MATTER OF
NATURAL BEE WORKS APIARIES INC.,
TAWLIA CHICKALO,
RINALDO LANDUCCI and
ELISE MAXHELEAU

D. Grant Vingoe, Vice-Chair and Chair of the Panel

April 26, 2019

ORDER

(Subsection 127(8) of the
Securities Act, RSO 1990, c S.5)

WHEREAS on April 26, 2019, the Ontario Securities Commission (**Commission**) held a hearing at the offices of the Commission, located at 20 Queen Street West, 17th Floor, Toronto, Ontario with respect to a request by Staff of the Commission (**Staff**) to extend the temporary cease trade order against Natural Bee Works Apiaries Inc., Tawlia Chickalo and Rinaldo Landucci, initially issued on February 8, 2018 (the **Temporary Order**) and extended on February 21, 2018, February 26, 2018 and extended on June 27, 2018 until the conclusion of the hearing on the merits in relation to the Statement of Allegations naming Natural Bee Works Apiaries Inc., Tawlia Chickalo and Rinaldo Landucci dated June 25, 2018;

WHEREAS Staff did not request an extension of the Temporary Order against Elise Maxheleau, and the terms of the Temporary Order have expired against her on June 27, 2018;

ON HEARING the oral submissions of Staff, appearing in person, and Tawlia Chickalo on her own behalf participating by video-conference, and Rinaldo Landucci on his own behalf and on behalf of Natural Bee Works Apiaries Inc., participating by video-conference;

IT IS ORDERED THAT pursuant to subsection 127(8) of the *Securities Act*, RSO 1990, c S.5, paragraphs 1 and 2 of the Temporary Order are extended against Natural Bee Works Apiaries Inc., Tawlia Chickalo and Rinaldo Landucci, excluding Elise Maxheleau, until the later of:

- (i) The date the Merits Decision is issued, or
- (ii) if the Merits Decision determines that any of Tawlia Chickalo, Rinaldo Landucci and/or Natural Bee Works Apiaries Inc. has violated Ontario Securities Law, the date of the issuance of the Sanctions Decision in respect of that respondent in relation to the Statement of Allegations naming Natural Bee Works Apiaries Inc., Tawlia Chickalo and Rinaldo Landucci dated June 25, 2018.

“D. Grant Vingoe”

2.2.8 Issam El-Bouji

FILE NO.: 2018-28

IN THE MATTER OF
ISSAM EL-BOUJI

D. Grant Vingoe, Vice-Chair and Chair of the Panel

April 29, 2019

ORDER

WHEREAS on April 29, 2019, the Ontario Securities Commission held a hearing at the offices of the Commission, located at 20 Queen Street West, 17th Floor, Toronto, Ontario to consider a motion (the **Adjournment Motion**) brought by the Respondent, Issam El-Bouji, for an adjournment of a preliminary motion in this matter scheduled to be heard on May 1 and 2, 2019 (the **Preliminary Motion**) and the hearing on the merits scheduled to be heard on May 6, 8, 9, 10 and 22 and June 3, 5, 6 and 7;

ON READING the motion record filed by the Respondent dated April 25, 2019 and the submissions filed by Staff of the Commission dated April 28, 2019, and on hearing the submissions of the representatives for the Respondent and Staff, part of which were heard *in camera*;

IT IS ORDERED THAT:

1. the Adjournment Motion is granted in part and the hearing dates of May 1 and 2, 2019 are vacated;
2. the hearing on the merits shall proceed on May 6, 2019 at 10:00 a.m. and continue on the dates previously scheduled, commencing with the Preliminary Motion previously scheduled for May 1 and 2, 2019, or on such other dates and times as may be agreed to by the parties and set by the Office of the Secretary;
3. the Affidavit of Bethanie Pascutto sworn April 25, 2019 and the exhibits attached thereto are confidential pursuant to Rule 22(3)(b) of the Ontario Securities Commission *Rules of Procedure and Forms* (2017), 40 OSCB 8988 (the **Rules**);
4. this order is made without prejudice to Respondent's right to serve and file further adjournment motion materials, including additional evidence regarding the basis for the adjournment; and
5. the hearing of any further adjournment motion shall be conducted in writing pursuant to Rule 23 of the Rules, unless either party requests an oral hearing.

“D. Grant Vingoe”

This page intentionally left blank

Chapter 3

Reasons: Decisions, Orders and Rulings

3.1 OSC Decisions

3.1.1 Welcome Place Inc. et al. – s. 17

IN THE MATTER OF
WELCOME PLACE INC.,
DANIEL MAXSOOD also known as
MUHAMMAD M. KHAN,
TAO ZHANG and
TALAT ASHRAF

REASONS AND DECISION
(Section 17 of the
Securities Act, RSO 1990, c S.5)

Citation: *Welcome Place Inc.*, 2019 ONSEC 13

Date: 2019-04-23

File No. 2019-14

Hearing:	In Writing	
Decision:	April 23, 2019	
Panel:	M. Cecilia Williams	Commissioner and Chair of the Panel
Submissions:	Jennifer M. Lynch	For Staff of the Commission

TABLE OF CONTENTS

- I. BACKGROUND
 - A. Facts
- II. ANALYSIS
- III. CONCLUSION

REASONS AND DECISION

I. BACKGROUND

- [1] Enforcement Staff of the Ontario Securities Commission (**Staff**) apply for Orders that:
- a. The application is to be heard in writing pursuant to section 5.1 of the *Statutory Powers Procedure Act*, RSO 1990, c S.22 (the **SPPA**) and Rules 12(2) and 23(2) of the Ontario Securities Commission *Rules of Procedure and Forms* (the **Rules of Procedure**);
 - b. Staff are authorized, pursuant to subsection 17(1)(b) of the *Securities Act*, RSO 1990, c S.5 (the **Act**), to provide certain radio advertisements, interviews and related transcripts (the **Requested Records**) to the Ministry of the Attorney General's Civil Remedies for Illicit Activities Office (**CRIA**); and
 - c. Such disclosure is authorized to be made without notice and without opportunity to be heard pursuant to subsection 17(2.1) of the *Act*.

A. Facts

- [2] The matter relates to a fraudulent scheme carried out by the Respondents in which more than \$5.2 million was raised from investors.

- [3] Pursuant to a settlement agreement dated February 10, 2016, the Commission collected \$932,881.74 (the **Funds**).
- [4] Staff recommended, and the Vice Chairs have approved, that the Funds be allocated to investors and that the distribution be carried out by CRIA.
- [5] On December 14, 2016, the Commission issued a section 17 order in this matter with respect to other compelled documents that were requested by CRIA for the claims and distribution of the Funds to Welcome Place investors. The application was made in writing and was without notice to the Respondents or investors.

II. ANALYSIS

- [6] CRIA requires information in the Requested Records to provide notice to Welcome Place investors about the claims and distribution process for returning the Funds. CRIA intends to provide notice on the same radio station that Daniel Maxsood and Welcome Place used to solicit investors.
- [7] There is no doubt that it is in the public interest for CRIA to be able to distribute the Funds efficiently and effectively to Welcome Place investors. The Requested Records will allow CRIA to communicate the claims and distribution process through the same communication channels used to solicit investors.
- [8] Subsection 17(2.1) of the Act authorizes disclosure of the items under subsection 17(1) to any entity referred to in paragraphs 1, 3, 4 or 5 of section 153, without notice to or an opportunity to be heard if it is in the public interest to make such disclosure. Neither the Respondents nor the investors will have a reasonable objection to the Requested Records being provided to CRIA, as it will only be used to further facilitate the return of the Funds to investors.

III. CONCLUSION

- [9] For the reasons sent out above, I will issue an order that provides as follows:
- a. pursuant to section 5.1 of the SPPA and Rules 12(2) and 23(2) of the Rules of Procedure, this confidential application is heard in writing;
 - b. pursuant to subsection 17(1)(b) of the Act, Staff is authorized to disclose the Requested Records to CRIA; and
 - c. pursuant to subsection 17(2.1) of the Act, disclosure of the Requested Records is authorized to be made without notice and without an opportunity to be heard.

Dated at Toronto this 23rd day of April, 2019.

“M. Cecilia Williams”

3.2 Director's Decisions

3.2.1 Sterling Bridge Mortgage Corp. – s. 31

IN THE MATTER OF
STAFF'S RECOMMENDATION TO SUSPEND
THE REGISTRATION OF
STERLING BRIDGE MORTGAGE CORP.

OPPORTUNITY TO BE HEARD BY THE DIRECTOR
UNDER SECTION 31 OF THE SECURITIES ACT

1. Sterling Bridge Mortgage Corp. (**Sterling**) is registered under the Ontario *Securities Act* (the **Act**) as an exempt market dealer.
2. Sterling's head office is in Calgary, Alberta and its principal regulator is the Alberta Securities Commission (the **ASC**).
3. On March 29, 2019, the ASC suspended the Sterling's registration as an exempt market dealer, investment fund manager and a restricted portfolio manager in Alberta (the **Alberta Suspension**). The suspension was imposed after Staff at the ASC conducted a focused compliance review. Sterling consented to the imposition of the suspension and waived its right to a hearing under section 76.1 of the Alberta *Securities Act*.
4. Pursuant to Multilateral Instrument 11-102 *Passport System*, the suspension automatically took effect in British Columbia, Manitoba, Saskatchewan and Quebec. However, the suspension did not automatically take effect in Ontario.
5. On April 8, 2019, on behalf of Staff of the Ontario Securities Commission (**OSC Staff**), Elizabeth King, Deputy Director, Registrant Conduct, notified Sterling in writing (the **Notice**) that OSC Staff had recommended to the Director that the registration of Sterling be suspended.
6. In response to the Notice, Sterling advised that it did not oppose the suspension.
7. Pursuant to section 28 of the Ontario *Securities Act* (**Act**), in considering whether to continue the registration, the Director is required to consider whether, among other things, whether a registration is otherwise objectionable.
8. I am of the view that it would be inconsistent with the OSC's mandate to provide investor protection and foster fair and efficient capital markets and confidence in the capital markets to permit a firm suspended by its principal regulator, the ASC, to remain registered in Ontario. Accordingly, it would be objectionable to have the registration of Sterling suspended in all other Canadian jurisdictions in which Sterling is registered, but not in Ontario.

Decision

9. My decision is that the registration of Sterling be suspended effective immediately.

"Debra Foubert J.D."

Director, Compliance and Registrant Regulation Branch

April 24, 2019

This page intentionally left blank

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
THERE IS NOTHING TO REPORT THIS WEEK.		

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	
Namaste Technologies Inc.	04 April 2019	

This page intentionally left blank

Chapter 6

Request for Comments

6.1.1 Proposed National Systems Renewal Program Rule and Related Amendments



Canadian Securities
Administrators

Autorités canadiennes
en valeurs mobilières

CSA Notice and Request for Comment *Proposed National Systems Renewal Program Rule and Related Amendments*

May 2, 2019

Introduction

The Canadian Securities Administrators (the **CSA** or **we**) are publishing for a 90-day comment period:

- proposed National Instrument 13-103 [*System Replacement Rule*] (**NI 13-103**), including the repeal of National Instrument 13-101 *System for Electronic Document Analysis and Retrieval (SEDAR)* (**NI 13-101**) and the SEDAR Filer Manual;
- proposed Companion Policy 13-103 [*System Replacement Rule*] (**CP 13-103**);
- proposed amendments to existing rules:
 - Multilateral Instrument 11-102 *Passport System*;
 - National Instrument 41-101 *General Prospectus Requirements*;
 - National Instrument 43-101 *Standards of Disclosure for Mineral Projects*;
 - National Instrument 44-101 *Short Form Prospectus Distributions*;
 - National Instrument 44-102 *Shelf Distributions*;
 - National Instrument 45-102 *Resale of Securities*;
 - National Instrument 45-106 *Prospectus Exemptions*;
 - Multilateral Instrument 45-108 *Crowdfunding*;
 - National Instrument 51-101 *Standards of Disclosure for Oil and Gas Activities*;
 - National Instrument 51-102 *Continuous Disclosure Obligations*;
 - Multilateral Instrument 51-105 *Issuers Quoted in the U.S. Over-the-Counter Markets*;
 - National Instrument 54-101 *Communication with Beneficial Owners of Securities of a Reporting Issuer*;
 - National Instrument 58-101 *Disclosure of Corporate Governance Practices*;
 - National Instrument 62-104 *Take-Over Bids and Issuer Bids*;
 - National Instrument 81-101 *Mutual Fund Prospectus Disclosure*;
 - National Instrument 81-106 *Investment Fund Continuous Disclosure*;
 - National Instrument 81-107 *Independent Review Committee for Investment Funds*; and

- proposed changes to existing policies:
 - Companion Policy 11-102CP *Passport System*;
 - National Policy 11-201 *Electronic Delivery of Documents*;
 - National Policy 11-202 *Process for Prospectus Reviews in Multiple Jurisdictions*;
 - National Policy 11-203 *Process for Exemptive Relief Applications in Multiple Jurisdictions*;
 - National Policy 11-206 *Process for Cease to be a Reporting Issuer Applications*;
 - National Policy 11-207 *Failure-to-File Cease Trade Orders and Revocations in Multiple Jurisdictions*;
 - National Policy 12-202 *Revocation of Certain Cease Trade Orders*;
 - National Policy 12-203 *Management Cease Trade Orders*;
 - Companion Policy 41-101CP *General Prospectus Requirements*;
 - National Policy 41-201 *Income Trusts and Other Indirect Offerings*;
 - Companion Policy 43-101CP *Standards of Disclosure for Mineral Projects*;
 - Companion Policy 44-101CP *Short Form Prospectus Distributions*;
 - Companion Policy 44-102CP *Shelf Distributions*;
 - Companion Policy 44-103CP *Post-Receipt Pricing*;
 - Companion Policy 45-102CP *Resale of Securities*;
 - Companion Policy 45-106CP *Prospectus Exemptions*;
 - Companion Policy 45-108CP *Crowdfunding*;
 - National Policy 46-201 *Escrow for Initial Public Offerings*;
 - National Policy 47-201 *Trading Securities Using the Internet and Other Electronic Means*;
 - Companion Policy 51-101CP *Standards of Disclosure for Oil and Gas Activities*;
 - Companion Policy 51-102CP *Continuous Disclosure Obligations*;
 - Companion Policy 51-105CP *Issuers Quoted in the U.S. Over-the-Counter Markets*;
 - National Policy 51-201 *Disclosure Standards*;
 - Companion Policy 52-107CP *Acceptable Accounting Principles and Auditing Standards*;
 - Companion Policy 52-108CP *Auditor Oversight*;
 - Companion Policy 52-109CP *Certification of Disclosure in Issuers' Annual and Interim Filings*;
 - Companion Policy 54-101CP *Communication with Beneficial Owners of Securities of a Reporting Issuer*;
 - National Policy 58-201 *Corporate Governance Guidelines*;
 - Companion Policy 61-101CP *Protection of Minority Security Holders in Special Transactions*;
 - National Policy 62-203 *Take-Over Bids and Issuer Bids*;

- Companion Policy 71-102CP *Continuous Disclosure and Other Exemptions Relating to Foreign Issuers*;
- Companion Policy 81-101CP *Mutual Fund Prospectus Disclosure*;
- Companion Policy 81-102CP *Investment Funds*;
- Companion Policy 81-106CP *Investment Fund Continuous Disclosure*; and
- Policy Statement to Regulation 81-107 *Respecting Independent Review Committee for Investment Funds*.

In this Notice, NI 13-103, CP 13-103, the proposed amendments to existing rules and the proposed changes to existing policies are referred to collectively as the **Phase 1 Amendments**. The CSA is also publishing today a separate notice seeking comment on proposed amendments to Multilateral Instrument 13-102 *System Fees for SEDAR and NRD*.

The text of the Phase 1 Amendments is published with this Notice and is also available on the websites of the following CSA jurisdictions:

www.bcsc.bc.ca
www.albertasecurities.com
www.fcaa.gov.sk.ca
www.mbsecurities.ca
www.osc.gov.on.ca
www.lautorite.qc.ca
www.fcncb.ca
nssc.novascotia.ca

Substance and Purpose

The National Systems Renewal Program (**NSRP**) is an initiative of the CSA that aims to replace CSA national systems (the System for Electronic Document Analysis and Retrieval (**SEDAR**), the National Cease Trade Order Database, the Disciplined List, the System for Electronic Disclosure by Insiders, the National Registration Database and the National Registration Search) with a more centralized CSA IT system (the **Renewed System**). Every CSA member is participating in NSRP.

We expect the Renewed System to be implemented in 4 phases beginning in early 2021. The first phase (**Phase 1**) will replace SEDAR, the National Cease Trade Order Database, the Disciplined List and certain filings in the British Columbia Securities Commission eServices system and the Ontario Securities Commission Electronic Filing Portal. Accordingly, filings made by issuers, including foreign issuers, will be incorporated into the Renewed System in Phase 1. We expect filings made by insiders, registrants, derivatives market participants and regulated entities (such as marketplaces, self-regulatory bodies and clearing agencies) to be addressed in future phases of the Renewed System. At this time, we are only proposing amendments relating to Phase 1.

The purposes of the Phase 1 Amendments are to:

- introduce NI 13-103, which is the new central rule that provides the requirements and the procedure for the electronic transmission of documents through the Renewed System. NI 13-103 will mandate that all documents required or permitted to be filed with or delivered to a securities regulatory authority or regulator be transmitted electronically in accordance with the rule, unless specifically excluded;
- help market participants understand how we will apply and interpret NI 13-103 by providing guidance in CP 13-103;
- update the existing filing requirements related to SEDAR, the British Columbia Securities Commission eServices system and the Ontario Securities Commission Electronic Filing Portal so that they work with the Renewed System;
- amend existing rules and policies that refer to how market participants are required or permitted to transmit documents to a securities regulatory authority or regulator; and
- repeal NI 13-101, which includes the SEDAR Filer Manual.

Summary of NI 13-103 and CP 13-103

NI 13-103 provides that:

- filers must transmit electronically through the Renewed System each document required or permitted to be filed with or delivered to a securities regulatory authority or regulator under securities legislation;
- NI 13-103 does not apply to certain documents required or permitted to be filed or delivered pursuant to securities legislation set out in Column A of the Appendix. As part of the phased implementation of the Renewed System, certain filers referred to in Column B of the Appendix are nevertheless required to file in the Renewed System in Phase 1;
- some documents, specified in subsections 3(a) to (e) of NI 13-103, will never be filed or delivered through the Renewed System. These include documents filed or delivered in connection with a hearing, compliance review, proceeding or investigation;
- filers must complete a profile containing the information specified in the Renewed System, and must keep their profile current; and
- regulatory and system fees must be paid through the Renewed System.

The Renewed System will also offer online help that will guide filers in navigating and using the system. This online help feature will replace the SEDAR Filer Manual.

CP 13-103 provides guidance on different aspects of NI 13-103 including:

- the documents that are required to be filed through the Renewed System, and those that are excluded to reflect the phased implementation of the Renewed System;
- how jurisdiction is determined for the purposes of payment of system fees;
- the manner and format, and templates if any, that filers should use in transmitting information; and
- the public accessibility of documents.

Amendments to Existing Rules and Policies

The Phase 1 Amendments are also intended to update the existing rules and policies to include necessary references to the Renewed System and remove references to existing CSA systems. For example, references to SEDAR are replaced with references to the Renewed System, where appropriate. In many cases, the amendments involve revising or deleting references to format (electronic or otherwise). In certain instruments, some housekeeping amendments are proposed, such as repealing or deleting transitional provisions that are no longer applicable and correcting grammatical or typographical errors. In these limited cases, the changes are not related to the Renewed System.

Anticipated Costs and Benefits

Once fully implemented, the Renewed System will provide more secure, single-window access for market participants to file documents and pay fees. The filing process will be more uniform, and the system will enforce modern access controls and expand public search functionality. Some filers may have to adapt their internal processes and systems.

We believe that the benefits of a modernized, more secure and centralized system with improved search capabilities will outweigh the costs associated with the Phase 1 Amendments.

Local Matters

Annex E is being published in any local jurisdiction that is making related changes to local securities laws, including local notices or other policy instruments in that jurisdiction. It also includes any additional information that is relevant to that jurisdiction only.

Request for Comments

We are issuing this Notice to solicit comments on the Phase 1 Amendments. Please note that between the date of this Notice and the final publication of Phase 1 Amendments we may include reference to additional securities legislation in the Appendix of NI 13-103, as necessary to reflect the phased implementation of the Renewed System.

The public comment period expires on July 31, 2019. Please submit your comments in writing on or before July 31, 2019. If you are not sending your comments by email, please also send a CD containing the submissions (in Microsoft Word format).

Address your submissions to all of the CSA as follows:

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

Deliver your comments **only** to the addresses below. Your comments will be distributed to the other participating CSA.

Me Anne-Marie Beaudoin
Corporate Secretary
Autorité des marchés financiers
800, rue du Square-Victoria, 4e étage
C.P. 246, Place Victoria
Montréal, Québec H4Z 1G3
Fax: 514-864-6381
consultation-en-cours@lautorite.qc.ca

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

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

Contents of Annexes

The following annexes form part of this CSA Notice:

- Annex A – Proposed National Instrument 13-103 [*System Replacement Rule*];
- Annex B – Proposed Companion Policy 13-103 [*System Replacement Rule*];
- Annex C – Proposed Amendments to Existing Rules;
- Annex D – Proposed Changes to Existing Policies; and
- Annex E – Local Matters.

Questions

Please refer your questions to any of the following:

British Columbia Securities Commission
Victoria Steeves
Senior Legal Counsel, Corporate Finance
604-899-6791
vsteeves@bcsc.bc.ca

British Columbia Securities Commission
Laura Lam
Senior Legal Counsel, Corporate Finance
604-899-6792
llam@bcsc.bc.ca

Alberta Securities Commission
Elizabeth Coape-Arnold
Legal Counsel
403-297-2050
elizabeth.coape-arnold@asc.ca

Manitoba Securities Commission
Wayne Bridgeman
Deputy Director, Corporate Finance
204-945-4905
wayne.bridgeman@gov.mb.ca

Ontario Securities Commission
Melissa Taylor
Legal Counsel, Corporate Finance
416-596-4295
mtaylor@osc.gov.on.ca

Autorité des marchés financiers
Sylvia Pateras
Senior Legal Counsel, Legal Affairs
514-395-0337 ext. 2536
sylvia.pateras@lautorite.qc.ca

Autorité des marchés financiers
Carolynne Lassonde
Senior Legal Counsel, Legal Affairs
514-395-0337 ext. 2545
carolynne.lassonde@lautorite.qc.ca

Nova Scotia Securities Commission
H. Jane Anderson
Director, Policy & Market Regulation
902-424-0179
jane.anderson@novascotia.ca

ANNEX A

NATIONAL INSTRUMENT 13-103 [SYSTEM REPLACEMENT RULE]

Definitions

1. (1) In this Instrument:

“deliver” includes deposit, furnish, provide, send or submit;

“document” includes information and material that is required or permitted to be filed with or delivered to a securities regulatory authority or regulator;

“profile” means the information identifying a person or company, as specified in the [Renewed System];

“[Renewed System]” means the system for the transmission, receipt, acceptance and dissemination of documents known as [Name of renewed system].

(2) For the purposes of this Instrument, a reference to a document that is permitted to be filed includes an application for a decision of the regulator or securities regulatory authority [under securities legislation].

Electronic transmission of documents

2. Subject to section 3, if a person or company is required or permitted, under securities legislation or under a decision of the securities regulatory authority or regulator, to file a document with, or deliver a document to, the securities regulatory authority or regulator, the person or company must file or deliver the document by transmitting it through the [Renewed System].

Transmission of documents outside of the [Renewed System]

3. A person or company must not file or deliver the following through the [Renewed System]:

- (a) a document required or permitted to be filed with or delivered to the securities regulatory authority or regulator in connection with a hearing, compliance review, proceeding or investigation;
- (b) a letter required to be delivered under subsection 4.11(8) or (9) of National Instrument 51-102 *Continuous Disclosure Obligations*;
- (c) a notice under subsection 13.2(2) of National Instrument 51-102 *Continuous Disclosure Obligations*;
- (d) a notice under section 18.6 of National Instrument 81-106 *Investment Fund Continuous Disclosure*;
- (e) a notice under subsection 5(1) or 6(1) of National Instrument 52-108 *Auditor Oversight*;
- (f) a document that a person or company is required or permitted to file or deliver pursuant to a provision of, or a decision of the securities regulatory authority or regulator issued in respect of, securities legislation listed in the Appendix.

Profile requirements

4. (1) At the time that a person or company uses the [Renewed System] for the first time, the person or company must file a profile by transmitting it through the [Renewed System].

(2) If information contained in a profile becomes inaccurate, the person or company must file an updated profile with the accurate information by transmitting it through the [Renewed System] at the earlier of

- (a) the next time the person or company transmits a document through the [Renewed System], and
- (b) 10 days after the date on which the information contained in the profile becomes inaccurate.

(3) A person or company must not have more than one profile in the [Renewed System].

Payment of fees

5. (1) At the time that a person or company transmits a document through the [Renewed System], a person or company must pay through the [Renewed System]
- (a) all prescribed fees, other than fees prescribed under Multilateral Instrument 13-102 *System Fees* or equivalent regulation, to the securities regulatory authority or regulator, and
 - (b) all fees prescribed under Multilateral Instrument 13-102 *System Fees* or equivalent regulation to the person or company's principal regulator if the principal regulator is the securities regulatory authority in the local jurisdiction.
- (2) For the purposes of subsection (1), if the person or company is transmitting through the [Renewed System] a document to which Multilateral Instrument 11-102 *Passport System* applies, "principal regulator" has the meaning set out in Part 3, 4, 4A, 4B or 4C of Multilateral Instrument 11-102 *Passport System*, as applicable.
- (3) For the purposes of subsection (1), if the person or company is transmitting through the [Renewed System] a document to which Multilateral Instrument 11-102 *Passport System* does not apply, the principal regulator is the securities regulatory authority or regulator that would be the principal regulator if Part 3 of Multilateral Instrument 11-102 *Passport System* applied.
- (4) Despite subsection (3), if the person or company is transmitting through the [Renewed System] Form 45-106F1 *Report of Exempt Distribution*, and the person or company does not have a head office in Canada or is an investment fund with an investment fund manager that does not have a head office in Canada, the principal regulator is the securities regulatory authority or regulator of the jurisdiction with which the person or company has the most significant connection.

Temporary hardship exemption

6. (1) If unanticipated technical difficulties prevent a person or company from transmitting a document through the [Renewed System] within the time required or permitted under securities legislation, the person or company may file the document with or deliver the document to the securities regulatory authority or regulator outside of the [Renewed System] no later than 2 business days after the date on or by which the person or company was required or permitted to file the document with, or deliver the document to, the securities regulatory authority or regulator.
- (2) A person or company must include the following legend in capital letters at the top of the first page of a document filed or delivered outside of the [Renewed System] in reliance on this section:

IN ACCORDANCE WITH SECTION 6 OF NATIONAL INSTRUMENT 13-103 [SYSTEM
REPLACEMENT RULE], THIS (SPECIFY DOCUMENT) IS BEING FILED OR DELIVERED
OUTSIDE OF THE [RENEWED SYSTEM] UNDER A TEMPORARY HARDSHIP EXEMPTION

- (3) If a person or company files or delivers a document to the securities regulatory authority or regulator in the manner and within the time prescribed by this section, the person or company is exempt from the requirement to file or deliver the document by the date prescribed in securities legislation.
- (4) If a person or company files or delivers a document to the securities regulatory authority or regulator outside of the [Renewed System] in reliance on this section, the person or company must transmit the document to the securities regulatory authority or regulator through the [Renewed System] as soon as practicable and in any event within 3 business days of the date on which the unanticipated technical difficulties have been resolved, and must include the following legend in capital letters at the top of the first page of the document transmitted through the [Renewed System]:

THIS DOCUMENT IS A COPY OF (SPECIFY DOCUMENT) FILED OR DELIVERED ON (DATE) TO
(LIST ALL SECURITIES REGULATORY AUTHORITIES OR REGULATORS TO WHOM THE
DOCUMENT WAS FILED OR DELIVERED) UNDER A TEMPORARY HARDSHIP EXEMPTION
UNDER SECTION 6 OF NATIONAL INSTRUMENT 13-103 [SYSTEM REPLACEMENT RULE].

Decisions

7. (1) If a decision made under securities legislation requires or permits a person or company to file a document on the *System for Electronic Document Analysis and Retrieval*, the decision is deemed, after the effective date of this Instrument, to require or permit the person or company to transmit the document to the securities regulatory authority or regulator through the [Renewed System].

(2) Subsection (1) does not apply if section 3 applies.

(3) In British Columbia, subsection (1) does not apply.

Exemptions

8. (1) The securities regulatory authority or regulator may grant an exemption from this Instrument, in whole or in part, subject to the conditions or restrictions that may be imposed in the exemption.

(2) Despite subsection (1), in Ontario only the regulator may grant an exemption from this Instrument.

(3) Except in Alberta and Ontario, an exemption referred to in subsection (1) is granted under the statute referred to in Appendix B of National Instrument 14-101 *Definitions* opposite the name of the local jurisdiction.

Repeal of former instrument

9. National Instrument 13-101 *System for Electronic Document Analysis and Retrieval (SEDAR)* is repealed.

Effective date

10. This Instrument comes into force on ●, 2020 [date of Phase 1].

**APPENDIX
TO
NATIONAL INSTRUMENT 13-103 [SYSTEM REPLACEMENT RULE]**

**Securities legislation pursuant to which documents must not be
filed or delivered through the [Renewed System]
(Paragraph 3(f))**

Column A	Column B
National and multilateral instruments pursuant to which documents must not be filed or delivered through the [Renewed System]	Exceptions: Filers who must file or deliver the document through the [Renewed System]
Multilateral Instrument 11-102 <i>Passport System</i> , only Part 4A Registration and Part 4B Application to Become a Designated Rating Organization	N/A
National Instrument 21-101 <i>Marketplace Operation</i>	N/A
National Instrument 23-101 <i>Trading Rules</i>	N/A
National Instrument 23-102 <i>Use of Client Brokerage Commissions</i>	N/A
National Instrument 23-103 <i>Electronic Trading and Direct Electronic Access to Marketplace</i>	N/A
National Instrument 24-101 <i>Institutional Trade Matching and Settlement</i>	N/A
National Instrument 24-102 <i>Clearing Agency Requirements</i>	N/A
National Instrument 25-101 <i>Designated Rating Organizations</i>	N/A
National Instrument 31-102 <i>National Registration Database</i>	N/A
National Instrument 31-103 <i>Registration Requirements, Exemptions and Ongoing Registrant Obligations</i>	N/A
National Instrument 33-105 <i>Underwriting Conflicts</i>	N/A
National Instrument 33-109 <i>Registration Information</i>	N/A
National Instrument 35-101 <i>Conditional Exemption From Registration For United States Broker-Dealers and Agents</i>	N/A
Multilateral Instrument 45-108 <i>Crowdfunding</i>	An issuer filing or delivering a document pursuant to section 15, section 16 or section 17 An issuer filing an application for an exemption pursuant to section 44
National Instrument 52-107 <i>Acceptable Accounting Principles and Auditing Standards</i>	An issuer filing an application for an exemption pursuant to section 5.1(1)
National Instrument 55-102 <i>System for Electronic Disclosure by Insiders (SEDI)</i>	An issuer filing an application for an exemption pursuant to section 6.1(1)
National Instrument 55-104 <i>Insider Reporting Requirements and Exemptions</i>	An issuer filing an application for an exemption pursuant to section 10.1(1)
Multilateral Instrument 91-101 <i>Derivatives: Product Determination</i>	N/A
Multilateral Instrument 91-102 <i>Prohibition of Binary Options</i>	N/A
Multilateral Instrument 91-506 <i>Derivatives: Product Determination</i>	N/A
Multilateral Instrument 91-507 <i>Trade Repositories and Derivatives Data Reporting</i>	N/A
National Instrument 94-101 <i>Mandatory Central Counterparty Clearing of Derivatives</i>	N/A
National Instrument 94-102 <i>Derivatives: Customer Clearing and Protection of Customer Collateral and Positions</i>	N/A

Request for Comments

Column A	Column B
National and multilateral instruments pursuant to which documents must not be filed or delivered through the [Renewed System]	Exceptions: Filers who must file or deliver the document through the [Renewed System]
Multilateral Instrument 96-101 <i>Trade Repositories and Derivatives Data Reporting</i>	N/A

Column A	Column B
British Columbia securities legislation pursuant to which documents must not be filed or delivered through the [Renewed System]	Exceptions: Filers who must file or deliver the document through the [Renewed System]
Designation orders – section 3.2 of the <i>Securities Act</i> R.S.B.C. 1996, c 418	A person or company filing an application for an order that a person or a person within a class of persons is a mutual fund, a non-redeemable investment fund or a reporting issuer
Self Regulatory Bodies, Exchanges, Quotation and Trade Reporting Systems and Clearing Agencies (Part 4) – sections 23-33 of the <i>Securities Act</i> R.S.B.C. 1996, c 418	N/A
Further information (Part 5) – section 38 of the <i>Securities Act</i> R.S.B.C. 1996, c 418	N/A
Surrender of registration (Part 5) – section 41 of the <i>Securities Act</i> R.S.B.C. 1996, c 418	N/A
Exemption order by commission or executive director (Part 6) – section 48 of the <i>Securities Act</i> R.S.B.C. 1996, c 418	N/A
Trading in Exchange Contracts (Part 8) – sections 58 – 60 of the <i>Securities Act</i> R.S.B.C. 1996, c 418	N/A
Exemption order by commission or executive director (Part 12) – section 91 of the <i>Securities Act</i> R.S.B.C. 1996, c 418	An issuer filing an application for an exemption from the insider reporting requirements, and all documents in relation to the exemption
Exemptions (Part 15) – section 130 of the <i>Securities Act</i> R.S.B.C. 1996, c 418	N/A
Filing and inspection of records (Part 20) – section 169 of the <i>Securities Act</i> R.S.B.C. 1996, c 418	An issuer filing an application pursuant to section 169
Discretion to revoke or vary decision (Part 20) – section 171 of the <i>Securities Act</i> R.S.B.C. 1996, c 418	An issuer filing an application pursuant to section 171
Administrative powers respecting commission rules (Part 20) – section 187 of the <i>Securities Act</i> R.S.B.C. 1996, c 418	An issuer filing an application pursuant to section 187

Column A	Column B
Alberta securities legislation pursuant to which documents must not be filed or delivered through the [Renewed System]	Exceptions: Filers who must file or deliver the document through the [Renewed System]
Form 4 Report by a Registered Owner of Securities Beneficially Owned by an Insider Under Section 183 of the <i>Securities Act</i> – section 17 of <i>Alberta Securities Commission Rules</i> (General)	N/A
Designation orders – section 10 of the <i>Securities Act</i> RSA 2000, c S-4	An issuer filing an application pursuant to section 10
Regulation, Recognition and Designation of Entities and Benchmarks – Part 4 of the <i>Securities Act</i> RSA 2000, c S-4	N/A
Surrender of registration – section 78 of the <i>Securities Act</i> RSA 2000, c S-4	N/A
Further Information – section 82 of the <i>Securities Act</i> RSA 2000, c S-4	N/A
Trading in Securities and Derivatives Generally – Part 7 of the <i>Securities Act</i> RSA 2000, c S-4	N/A
Discretionary exemptions – section 144 of the <i>Securities Act</i> RSA 2000, c S-4	A person or company filing an application for relief from the prospectus requirement
Applications to the Commission – section 179 of the <i>Securities Act</i> RSA 2000, c S-4	An issuer filing an application pursuant to section 179
General Exemption – section 213 of the <i>Securities Act</i> RSA 2000, c S-4	An issuer filing an application pursuant to section 213
Revoke or vary decisions – section 214 of the <i>Securities Act</i> RSA 2000, c S-4	An issuer filing an application pursuant to section 214
Filing and confidentiality – section 221 of the <i>Securities Act</i> RSA 2000, c S-4	An issuer filing an application pursuant to section 221
ASC Rule 13-501 <i>Fees</i>	An issuer filing any of the following: <ul style="list-style-type: none"> • Form 13-501F1 <i>Class 1 Reporting Issuers and Class 3B Reporting Issuers – Participation Fee</i> • Form 13-501F2 <i>Class 2 Reporting Issuers – Participation Fee</i> • Form 13-501F3 <i>Adjustment of Fee Payment for Class 2 Reporting Issuer</i> • Form 13-501F4 <i>Class 3A Reporting Issuers – Participation Fee</i> • Form 13-501F6 <i>Subsidiary Exemption Notice</i>
ASC Rule 91-504 <i>Strip Bonds</i>	A person or company other than a registrant filing an application pursuant to ASC Rule 91-504
Compensation fund or contingency trust fund – section 6 of <i>Alberta Securities Commission Rules</i> (General)	N/A
Trading in Securities and Derivatives Generally – Part 4 of <i>Alberta Securities Commission Rules</i> (General)	N/A

Column A	Column B
Saskatchewan securities legislation pursuant to which documents must not be filed or delivered through the [Renewed System]	Exceptions: Filers who must file or deliver the document through the [Renewed System]
Designation – section 11.1 of <i>The Securities Act, 1988</i> SS 1988-89, c S-42.2	N/A
Recognition of Entities (Part V) – sections 21-25 of <i>The Securities Act, 1988</i> SS 1988-89, c S-42.2	N/A
Designation of Entities (Part V.1) of <i>The Securities Act, 1988</i> SS 1988-89, c S-42.2	N/A
Voluntary surrender of registration – section 29 of <i>The Securities Act, 1988</i> SS 1988-89, c S-42.2	N/A
Trading in Securities and Derivatives (Part IX) of <i>The Securities Act, 1988</i> SS 1988-89, c S-42.2	N/A
Saskatchewan General Ruling/Order 91-906 <i>Strip Bonds</i>	N/A

Column A	Column B
Manitoba securities legislation pursuant to which documents must not be filed or delivered through the [Renewed System]	Exceptions: Filers who must file or deliver the document through the [Renewed System]
Exemption by commission - section 20 of the <i>Securities Act</i> C.C.S.M. c.S50	An issuer filing an application pursuant to section 20
Self-regulatory organizations (Part IV.1) – sections 31.1, 31.3 and 31.4 of the <i>Securities Act</i> C.C.S.M. c.S50	N/A
Trade repositories and clearing agencies (Part IV.2) – sections 31.6, 31.11 and 31.12 of the <i>Securities Act</i> C.C.S.M. c.S50	N/A
Trading in derivatives (Part VIII.1) – section 79.1 of the <i>Securities Act</i> C.C.S.M. c.S50	N/A
Designating a person or company as an insider - section 108.1 of the <i>Securities Act</i> C.C.S.M. c.S50	A person or company filing an application for an order that an issuer or class of issuers is, or is not, a mutual fund or a non-redeemable investment fund
Exemption and extension orders section 116 of the <i>Securities Act</i> C.C.S.M. c.S50	An issuer filing an application pursuant to section 116
Audit oversight bodies (Part XX) – sections 204 and 206 of the <i>Securities Act</i> C.C.S.M. c.S50	N/A

Column A	Column B
Ontario securities legislation pursuant to which documents must not be filed or delivered through the [Renewed System]	Exceptions: Filers who must file or deliver the document through the [Renewed System]
Relieving orders – subsection 1(10) of the <i>Securities Act</i> , RSO 1990, c S.5	An issuer filing an application for an order pursuant to subsection 1(10)
Designation – subsection 1(11) of the <i>Securities Act</i> , RSO 1990, c S.5	An issuer filing an application for an order pursuant to subsection 1(11)
Exchanges, alternative trading systems, self-regulatory organizations, clearing agencies, quotation and trade reporting systems, information processors – Part VIII of the <i>Securities Act</i> , RSO 1990, c S.5	N/A
Designated rating organizations – section 22 of the <i>Securities Act</i> , RSO 1990, c S.5	N/A
Voluntary surrender of registration – section 30 of the <i>Securities Act</i> , RSO 1990, c S.5	N/A
Further information – section 33.1 of the <i>Securities Act</i> , RSO 1990, c S.5	N/A
Disclosure of trade information to the Commission – subsection 36(2) of the <i>Securities Act</i> , RSO 1990, c S.5	N/A
Exemption order – subsection 74(1) of the <i>Securities Act</i> , RSO 1990, c S.5	A person or company filing an application for relief from the prospectus requirement
Insider reporting – section 107 of the <i>Securities Act</i> , RSO 1990, c S.5	N/A
Report of transfer by insider – section 109 of the <i>Securities Act</i> , RSO 1990, c S.5	N/A
Filing in other jurisdictions – section 121 of the <i>Securities Act</i> , RSO 1990, c S.5	An issuer filing an application pursuant to section 121
Filing and inspection of material – section 140 of the <i>Securities Act</i> , RSO 1990, c S.5	An issuer filing an application pursuant to section 140
Revocation or variation of decision – section 144 of the <i>Securities Act</i> , RSO 1990, c S.5	An issuer filing an application pursuant to section 144
Exemption – section 147 of the <i>Securities Act</i> , RSO 1990, c S.5	An issuer filing an application pursuant to section 147
OSC Rule 11-501 <i>Electronic Delivery of Documents to the Ontario Securities Commission</i>	N/A
OSC Rule 13-502 <i>Fees</i>	An issuer filing any of the following: <ul style="list-style-type: none"> • Form 13-502F1 <i>Class 1 and Class 3B Reporting Issuers – Participation Fee</i> • Form 13-502F2 <i>Class 2 Reporting Issuers – Participation Fee</i> • Form 13-502F2A <i>Adjustment of Fee for Class 2 Reporting Issuers</i> • Form 13-502F3A <i>Class 3A Reporting Issuers – Participation Fee</i> • Form 13-502F6 <i>Subsidiary Exemption Notice</i> • an application pursuant to section 8.1
OSC Rule 31-505 <i>Conditions of Registration</i>	N/A

Column A	Column B
Ontario securities legislation pursuant to which documents must not be filed or delivered through the [Renewed System]	Exceptions: Filers who must file or deliver the document through the [Renewed System]
Multilateral Instrument 32-102 <i>Registration Exemptions for Non-Resident Investment Fund Managers</i>	N/A
OSC Rule 32-501 <i>Direct Purchase Plans</i>	N/A
OSC Rule 32-505 <i>Conditional Exemption from Registration for United States Broker-Dealers and Advisers Servicing U.S. Clients from Ontario</i>	N/A
OSC Rule 35-502 <i>Non-Resident Advisers</i>	An issuer filing an application pursuant to OSC Rule 35-502
OSC Rule 91-501 <i>Strip Bonds</i>	A person or company other than a registrant filing an application pursuant to OSC Rule 91-501
OSC Rule 91-502 <i>Trades in Recognized Options</i>	N/A
OSC Rule 91-507 <i>Trade Repositories and Derivatives Data Reporting</i>	N/A

Column A	Column B
Québec securities legislation pursuant to which documents must not be filed or delivered through the [Renewed System]	Exceptions: Filers who must file or deliver the document through the [Renewed System]
Surrender of registration – section 153 of the <i>Securities Act</i> , CQLR, c. V-1.1	N/A
Self-Regulatory Organizations, Securities Exchange or Clearing Activities, Credit rating Organization, Benchmarks and Benchmark Administrators – sections 169 to 186.6 of the <i>Securities Act</i> , CQLR, c. V-1.1	N/A
Exemption order by the Autorité des marchés financiers – section 263 of the <i>Securities Act</i> , CQLR, c. V-1.1	An issuer filing an application for an exemption A person filing an application for an exemption from the prospectus requirement
Designation – section 272.2 of the <i>Securities Act</i> , CQLR, c. V-1.1	A person filing an application to be designated a non-redeemable investment fund, a mutual fund or a reporting issuer
<i>Derivatives Act</i> , CQLR, c. I-14.01	N/A
<i>An Act Respecting the Regulation of the Financial Sector</i> , CQLR, c. A-33.2	N/A

Column A	Column B
New Brunswick securities legislation pursuant to which documents must not be filed or delivered through the [Renewed System]	Exceptions: Filers who must file or deliver the document through the [Renewed System]
<i>Securities Act</i> Chapter S-5.5: <ul style="list-style-type: none">• Part 1 Designation Orders, s. 1.1• Part 3 Self-Regulatory Organization and Other Regulated Entities, s. 35 - Recognition• Part 3 Self-Regulatory Organization and Other Regulated Entities, s. 40 – Voluntary Surrender• Part 3.1 Credit Rating Organizations, s. 44.1(1) – Designation• Part 4 Registration, s. 50 – Further Information• Part 4 Registration, s. 51(1) – Surrender of Registration• Part 5 Trading in Securities of Derivatives Generally, s. 68(1) – Submission of advertising and sales literature• Part 10 Insider Trading and Self-Dealing, s.135 – Insider Reporting• Part 14 Enforcement, s. 181.1(1) – Compensation for financial losses• All applications for an exemption from the requirements under the <i>Securities Act</i> Chapter S-5.5	An issuer must file or deliver through the [Renewed System]

Column A	Column B
Nova Scotia securities legislation pursuant to which documents must not be filed or delivered through the [Renewed System]	Exceptions: Filers who must file or deliver the document through the [Renewed System]
Recognition of self-regulatory organizations – section 30 of the <i>Securities Act</i> , RSNS 1989, c. 418, as amended	N/A
Designation – section 30 A of the <i>Securities Act</i> , RSNS 1989, c. 418, as amended	A person or company filing an application pursuant to section 30 A to be designated a mutual fund, non-redeemable investment fund or reporting issuer
Designation of credit rating agencies – sections 30 EA and 30 F of the <i>Securities Act</i> , RSNS 1989, c. 418, as amended	N/A
Recognition of exchanges, quotation and trade reporting systems, clearing agencies, derivatives trading facilities, and derivative trade repositories – section 30 I of the <i>Securities Act</i> , RSNS 1989, c. 418, as amended	N/A
Designation of benchmarks and benchmark administrators –sections 30 N and 30 O of the <i>Securities Act</i> , RSNS 1989, c. 418, as amended	N/A
Voluntary surrender or suspension of registration –section 33 of the <i>Securities Act</i> , RSNS 1989, c. 418, as amended	N/A
Discretionary exemptions – section 79 of the <i>Securities Act</i> , RSNS 1989, c. 418, as amended	A person or company filing an application for relief from the prospectus requirement
Commission orders – section 98 of the <i>Securities Act</i> , RSNS 1989, c. 418, as amended	An issuer filing an application pursuant to section 98
Relieving orders – section 121 of the <i>Securities Act</i> , RSNS 1989, c. 418, as amended	An issuer filing an application pursuant to section 121
Filing and confidentiality – subsection 148(2) of the <i>Securities Act</i> , RSNS 1989, c. 418, as amended	An issuer filing an application pursuant to subsection 148(2)
Discretionary exemptions – section 151A of the <i>Securities Act</i> , RSNS 1989, c. 418, as amended	An issuer filing an application pursuant to section 151A
Exemption Order – section 128 of the <i>Securities Act</i> , RSNS 1989, c.418, as amended	An issuer filing an application pursuant to section 128
Revocation or variation of a decision – section 151 of the <i>Securities Act</i> , RSNS 1989, c.418, as amended	An issuer filing an application pursuant to section 151

Column A	Column B
Prince Edward Island securities legislation pursuant to which documents must not be filed or delivered through the [Renewed System]	Exceptions: Filers who must file or deliver the document through the [Renewed System]
Recognition orders – sections 72 and 73 of the <i>Securities Act</i> Chapter S-3.1	N/A
Designation orders – sections 6 and 71 of the <i>Securities Act</i> Chapter S-3.1	N/A
Authorization orders – section 76 of the <i>Securities Act</i> Chapter S-3.1	N/A
Exemption orders – section 16 of the <i>Securities Act</i> Chapter S-3.1	N/A
Superintendent orders – subsection 15(1) of the <i>Securities Act</i> Chapter S-3.1	N/A
Insider filings – subsection 104(2) and section 105 of the <i>Securities Act</i> Chapter S-3.1	N/A
Exchanges and quotation and trade reporting systems – section 70 of the <i>Securities Act</i> Chapter S-3.1	N/A

Column A	Column B
Newfoundland and Labrador securities legislation pursuant to which documents must not be filed or delivered through the [Renewed System]	Exceptions: Filers who must file or deliver the document through the [Renewed System]
Trading in Securities Generally – Part XII of the <i>Securities Act</i> RSNL 1990, c S-13	N/A
Exemptions from Registration Requirements – Part XI of the <i>Securities Act</i> RSNL 1990, c S-13	A person or company filing an application for relief from the prospectus requirement
Exemption – section 142.1 of the <i>Securities Act</i> RSNL 1990, c S-13	An issuer filing an application pursuant to section 142.1
Surrender of registration – section 28 of the <i>Securities Act</i> RSNL 1990, c S-13	N/A
Self-regulation – Part VIII of the <i>Securities Act</i> RSNL 1990, c S-13	N/A
Investigations and Examinations – Part VI of the <i>Securities Act</i> RSNL 1990, c S-13	N/A
Applications to superintendent – section 93 of the <i>Securities Act</i> RSNL 1990, c S-13	An issuer filing an application pursuant to section 93
Further information – section 32 of the <i>Securities Act</i> RSNL 1990, c S-13	N/A
Filing and inspection of material – section 140 of the <i>Securities Act</i> RSNL 1990, c S-13	An issuer filing an application pursuant to section 140

Column A	Column B
Yukon securities legislation pursuant to which documents must not be filed or delivered through the [Renewed System]	Exceptions: Filers who must file or deliver the document through the [Renewed System]
Recognition orders – sections 72 and 73 of the <i>Securities Act</i> S.Y. 2007, c.16	N/A
Designation orders – sections 6 and 71 of the <i>Securities Act</i> S.Y. 2007, c.16	N/A
Authorization orders – section 76 of the <i>Securities Act</i> S.Y. 2007, c.16	N/A
Exemption orders – section 16 of the <i>Securities Act</i> S.Y. 2007, c.16	N/A
Superintendent orders – subsection 15(1) of the <i>Securities Act</i> S.Y. 2007, c.16	N/A
Designation of credit rating organizations – section 83.1 of the <i>Securities Act</i> S.Y. 2007, c.16	N/A
Insider filings – subsection 104(2) and section 105 of the <i>Securities Act</i> S.Y. 2007, c.16	N/A
Exchanges and quotation and trade reporting systems – section 70 of the <i>Securities Act</i> S.Y. 2007, c.16	N/A

Column A	Column B
Nunavut securities legislation pursuant to which documents must not be filed or delivered through the [Renewed System]	Exceptions: Filers who must file or deliver the document through the [Renewed System]
Recognition orders – sections 72 and 73 of the <i>Securities Act</i> , SNU 2008, c 12	N/A
Designation orders – sections 6 and 71 of the <i>Securities Act</i> , SNU 2008, c 12	N/A
Authorization orders – section 76 of the <i>Securities Act</i> , SNU 2008, c 12	N/A
Exemption orders – section 16 of the <i>Securities Act</i> , SNU 2008, c 12	N/A
Superintendent orders – subsection 15(1) of the <i>Securities Act</i> , SNU 2008, c 12	N/A
Designation of credit rating organizations – section 83.1 of the <i>Securities Act</i> , SNU 2008, c 12	N/A
Insider filings – subsection 104(2) and section 105 of the <i>Securities Act</i> , SNU 2008, c 12	N/A

Column A	Column B
Northwest Territories securities legislation pursuant to which documents must not be filed or delivered through the [Renewed System]	Exceptions: Filers who must file or deliver the document through the [Renewed System]
Recognition orders – sections 72 and 73 of the <i>Securities Act</i> , SNWT 2008, c. 10	N/A
Designation orders – sections 6 and 71 of the <i>Securities Act</i> , SNWT 2008, c. 10	N/A
Authorization orders – section 76 of the <i>Securities Act</i> , SNWT 2008, c. 10	N/A
Exemption orders – section 16 of the <i>Securities Act</i> , SNWT 2008, c. 10	N/A
Superintendent orders – subsection 15(1) of the <i>Securities Act</i> , SNWT 2008, c. 10	N/A
Designation of credit rating organizations – section 83.1 of the <i>Securities Act</i> , SNWT 2008, c. 10	N/A
Insider filings – subsection 104(2) and section 105 of the <i>Securities Act</i> , SNWT 2008, c. 10	N/A
Exchanges and quotation and trade reporting systems – section 70 of the <i>Securities Act</i> , SNWT 2008, c. 10	N/A

ANNEX B

COMPANION POLICY 13-103 [SYSTEM REPLACEMENT RULE]

Introduction

The purpose of this Companion Policy is to provide guidance on how securities regulatory authorities and regulators (we or us) interpret or apply certain provisions of National Instrument 13-103 [*System Replacement Rule*] (the Instrument). This Companion Policy includes explanations, discussion and examples of the application of various parts of the Instrument.

Phased approach to release of the [Renewed System]

The National Systems Renewal Program (NSRP) of the Canadian Securities Administrators (CSA) proposes to implement the [Renewed System] in several phases, with the objective of replacing all current CSA national systems. The first phase (Phase 1) replaces the System for Electronic Document Analysis and Retrieval (SEDAR), the National Cease Trade Order Database and the Disciplined List. Phase 1 relates principally to documents filed by issuers with securities regulatory authorities or regulators, including:

- all documents previously filed with or delivered through SEDAR;
- Form 45-106F1 *Report of Exempt Distribution*, previously filed in the British Columbia Securities Commission (BCSC) eServices system, the Ontario Securities Commission (OSC) Electronic Filing Portal, and in all other jurisdictions on SEDAR.

In future phases of NSRP, we expect the [Renewed System] will be capable of accepting the transmission of documents filed with or delivered to securities regulatory authorities and regulators by insiders, registrants, derivatives market participants and regulated entities (such as a marketplace, a self-regulatory body or self-regulatory organization, or a clearing agency).

Phasing of applications and pre-filings

Applications and pre-filings are also being brought into the [Renewed System] in a phased manner. Phase 1 of NSRP includes all applications and pre-filings previously filed by issuers, whether in the BCSC eServices system, the OSC Electronic Filing Portal, or filed by email, courier or regular mail, including applications:

- for an exemption from a provision of securities legislation;
- to be designated as a reporting issuer, mutual fund or non-redeemable investment fund;
- to cease to be a reporting issuer;
- for a full or partial revocation of a cease trade order;
- for a management cease trade order.

Generally, a person or company that is an issuer will file an application or a pre-filing through the [Renewed System], while a person or company that is an insider, a registrant, a derivatives market participant or a regulated entity will file the application in the same manner as it currently does, until a future release of the [Renewed System]. In future phases of NSRP, we expect that the [Renewed System] will be capable of accepting the transmission of applications delivered to securities regulatory authorities or regulators by insiders, registrants, derivatives market participants and regulated entities.

If a rule is included in Column A of the Appendix of the Instrument, a pre-filing in relation to that rule or an application for an exemption from a provision of that rule will not be filed through the Renewed System at this time, except in the limited circumstances outlined in Column B of the Appendix.

Generally when an application is filed in the Renewed System pursuant to Column B of the Appendix, and a decision is made, the filer should also transmit through the Renewed System all documents required to be filed or delivered pursuant to the decision.

Section 1 – Definitions

Unless defined in the Instrument, terms used in the Instrument have the meanings given to them in local securities legislation or in National Instrument 14-101 *Definitions*.

The term “document” includes any report, form, application, pre-filing, information, material and notice, as well as a copy thereof, and applies to a document that is required or permitted to be filed or deposited with, or delivered, furnished, sent, provided, submitted or otherwise transmitted to, a securities regulatory authority or regulator.

Section 3 – Transmission of documents outside of the [Renewed System]

Under paragraph 3(f), the Instrument does not apply to a document required or permitted to be filed or delivered under any of the provisions of securities legislation set out in Column A of the Appendix of the Instrument, unless an exception in Column B applies. The same applies to any document that a person or company is required or permitted to file or deliver pursuant to a decision or order issued in respect of any of the provisions of securities legislation set out in Column A of the Appendix, unless an exception in Column B applies. We expect that all of these documents will be incorporated into the [Renewed System] in future phases of NSRP.

A person or company will file these documents with, or deliver them to, the securities regulatory authority or regulator in the same manner that it currently does, including by email, courier or regular mail, through the System for Electronic Disclosure by Insiders (SEDI), or through the National Registration Database. For example, an issuer filing an issuer event report under National Instrument 55-102 *System for Electronic Disclosure by Insiders* will transmit this information through SEDI.

The Appendix also contains certain exceptions set out in Column B relating to documents filed under the provisions of securities legislation indicated in Column A that will be transmitted through the [Renewed System] in Phase 1. For example, Multilateral Instrument 45-108 *Crowdfunding* contains certain registration requirements for funding portals and registered individuals of funding portals, which will be filed outside of the [Renewed System] until a future phase of NSRP. The exceptions in Column B that relate to Multilateral Instrument 45-108 *Crowdfunding* are the following documents that an issuer will transmit through the [Renewed System] as part of Phase 1:

- a Form 45-106F1 *Report of Exempt Distribution*;
- a crowdfunding offering document;
- additional distribution material, including a video;
- financial statements filed by an issuer that is not a reporting issuer;
- a notice of use of proceeds.

Subsection 5(1) – Payment of fees

A filer should consult Multilateral Instrument 13-102 *System Fees* to determine whether it is required to pay a system fee when transmitting a document in the [Renewed System], and the amount of any applicable system fee. A filer should consult the local fee rules in each jurisdiction to determine whether it is also required to pay a regulatory filing fee when transmitting a document to the securities regulatory authority or regulator, and the amount of any applicable regulatory filing fee.

Subsection 5(4) – Significant connection

In order to determine the jurisdiction with which a person or company has the most significant connection, a filer should refer to the factors outlined in subsection 3.4(7) of National Policy 11-202 *Process for Prospectus Reviews in Multiple Jurisdictions*.

Subsection 7(3) – Decisions and orders in British Columbia

Because of differing legislative requirements, subsection 7(1) of the Instrument does not apply in British Columbia. The British Columbia Securities Commission has issued BC Instrument 13-XXX [XXX], which has the same effect as subsection 7(1) of the Instrument.

Using format and templates specified in the [Renewed System]

A person or company satisfies a requirement in securities legislation to file a document with, or deliver a document to, the securities regulatory authority or regulator in a prescribed format by transmitting the information in the manner and using the format and templates, if any, specified in the [Renewed System]. For example, the [Renewed System] requires a filer to transmit Form 45-106F1 *Report of Exempt Distribution* in the format and using the templates specified in the [Renewed System]. In doing so, the filer satisfies all requirements of Form 45-106F1 *Report of Exempt Distribution* that relate to the prescribed format of the report.

Effective time of filing or delivery

The [Renewed System] is generally available 24 hours a day, 7 days a week. We consider a document to be filed with or delivered to the securities regulatory authority or regulator when the transmission of the document through the [Renewed System] has been completed. The [Renewed System] allows a filer to confirm the date and time that the transmission of a document was completed.

Although the [Renewed System] is generally available every day to receive documents, securities legislation that refers to a review of a document by the securities regulatory authority or regulator (for example our obligation to provide a filer with a comment letter on our review of a preliminary prospectus) will continue to provide that the review be carried out within a certain number of business days.

Consent

In certain jurisdictions, the securities regulatory authority or regulator must consent to a document being filed with or delivered to it by the transmission of the document through the [Renewed System]. We take the view that the acceptance of documents transmitted through the [Renewed System] in accordance with the Instrument satisfies any such consent requirement of the securities regulatory authority or regulator contained in electronic commerce legislation.

Requirement to file more than one copy of a document

If any provision of securities legislation requires a person or company to file with or deliver to the securities regulatory authority or regulator more than one copy of a document, the transmission of the document through the Renewed System in accordance with the Instrument satisfies such a requirement.

Official copy of documents

We consider that, for purposes of securities legislation, securities directions or any other related purpose, an official record of any document transmitted through the [Renewed System] is the document stored in the Renewed System.

Certified copy of documents

Securities legislation in certain jurisdictions contains a requirement to produce or make available an original or certified copy of information filed under the securities legislation. We take the view that the securities regulatory authority or regulator satisfies such a requirement by providing a printed copy of the information that contains, or is accompanied by, a certificate of the securities regulatory authority or regulator confirming that the printed copy is a copy of the information filed in the [Renewed System].

Use of the Renewed System by the securities regulatory authority or regulator

The securities regulatory authority or regulator will transmit certain documents through the [Renewed System]. For example, we will generally transmit through the [Renewed System] a receipt and other confirmation of acceptance for a document transmitted through the [Renewed System], such as a receipt for a prospectus.

Public accessibility of documents in the [Renewed System]

Securities legislation requires that the securities regulatory authority or regulator make documents filed with it available for public inspection during normal business hours. We consider that the securities regulatory authority or regulator satisfies this requirement by making such documents publicly available in the [Renewed System].

Under securities legislation, documents required or permitted to be delivered are not required to be publicly available but may be subject to an application made under freedom of information legislation. Filers that transmit information in the [Renewed System] are responsible for complying with applicable privacy laws.

Changing public access to transmitted documents

To change the access status of a document filed with us from public to private, a person or company should submit a formal request for confidentiality, generally by way of an application for an exemption, under the relevant provisions of securities legislation. The securities regulatory authority or regulator will generally not change the access status of a document from public to private until the principal regulator has received and reviewed such request, and made a decision in favour of the person or company.

In the following limited circumstances, we will consider changing the access status of a document from public to private in the [Renewed System] without a formal request for confidentiality:

- a person or company transmits a document under the incorrect profile;
- a person or company transmits a fee form with an incorrect calculation;
- a person or company transmits a document that contains a virus;
- a person or company entitled to file a redacted version of a material contract or agreement transmits a non-redacted version of the document as a result of technical software errors in electronic redaction software;
- a recipient agency inadvertently makes a document public in connection with a prospectus filing which should have remained private.

To request a change in the access status of a document from public to private in the [Renewed System] in these circumstances, a person or company should make a written request to its principal regulator, determined in accordance with subsection 5(2), 5(3) or 5(4) of the Instrument.

Filers should note that changing the access status of a document from public to private in the [Renewed System] does not necessarily remove the document from the public domain. For example, various search engines may continue to index the document, notwithstanding that we have changed the access status of the document to private in the [Renewed System]. We do not assist filers to remove documents from the public domain.

ANNEX C

PROPOSED AMENDMENTS TO EXISTING RULES

PROPOSED AMENDMENTS TO
MULTILATERAL INSTRUMENT 11-102 PASSPORT SYSTEM

1. ***Multilateral Instrument 11-102 Passport System is amended by this Instrument.***
2. ***Section 1.1 is amended by:***
 - (a) ***deleting the definition of “SEDAR”, and***
 - (b) ***adding the following definition:***

“[Renewed System]” has the same meaning as in National Instrument 13-103 [System Replacement Rule];.
3. ***Subsection 3.3(1) is amended by:***
 - (a) ***replacing “Subject to section 3.5(1), a” with “A”, and***
 - (b) ***deleting “on SEDAR”.***
4. ***Paragraph 3.3(2)(b) is amended by:***
 - (a) ***deleting “subject to section 3.5(2),”, and***
 - (b) ***deleting “on SEDAR”.***
5. ***Section 3.5 is repealed.***
6. ***Section 4.8 is repealed.***
7. ***Appendix D is amended by:***
 - (a) ***replacing “SEDAR” with “[Renewed System]”, and***
 - (b) ***replacing “NI 13-101” with “NI 13-103”.***
8. This Instrument comes into force on ●.

**PROPOSED AMENDMENTS TO
NATIONAL INSTRUMENT 41-101 GENERAL PROSPECTUS REQUIREMENTS**

1. ***National Instrument 41-101 General Prospectus Requirements is amended by this Instrument.***
2. ***Schedule 1 – Part A of Appendix A is amended by replacing “System for Electronic Document Analysis and Retrieval (SEDAR)” with “[Renewed System]” under the heading “General Instructions”.***
3. ***Item 36A.1(3)(b)(ii) of Form 41-101F1 is amended by replacing “www.sedar.com” with “[insert website of Renewed System]”.***
4. ***Item 36A.1(5) of Form 41-101F1 is amended by replacing “SEDAR” with “[Renewed System]”.***
5. ***Item 37.1 of Form 41-101F2 is amended by replacing “www.sedar.com” with “[insert website of Renewed System]”.***
6. ***The following items of Part B of Form 41-101F3 are amended by replacing “www.sedar.com” with “[insert website of Renewed System]”:***
 - (a) ***Item 4.1(1);***
 - (b) ***Item 15.1(2).***
7. This Instrument comes into force on ●.

**PROPOSED AMENDMENTS TO
NATIONAL INSTRUMENT 43-101 STANDARDS OF DISCLOSURE FOR MINERAL PROJECTS**

1. *National Instrument 43-101 Standards of Disclosure for Mineral Projects is amended by this Instrument.*
2. *Paragraph 6.4(1)(b) is amended by replacing “SEDAR” with “[Renewed System]”.*
3. This Instrument comes into force on ●.

**PROPOSED AMENDMENTS TO
NATIONAL INSTRUMENT 44-101 SHORT FORM PROSPECTUS DISTRIBUTIONS**

- 1. National Instrument 44-101 Short Form Prospectus Distributions is amended by this Instrument.**
- 2. Section 1.1 is amended by:**
 - (a) deleting the definition of “NI 13-101”, and**
 - (b) adding the following definition:**

“[Renewed System]” has the same meaning as in subsection 1(1) of National Instrument 13-103 [System Replacement Rule];.
- 3. Section 2.2 is amended by replacing paragraph (a) with the following:**
 - (a) the issuer is required or permitted to file or deliver documents through the [Renewed System];.**
- 4. Subsection 2.3(1) is amended by replacing paragraph (a) with the following:**
 - (a) the issuer is required or permitted to file or deliver documents through the [Renewed System];.**
- 5. Subsection 2.6(1) is amended by replacing paragraph (a) with the following:**
 - (a) the issuer is required or permitted to file or deliver documents through the [Renewed System];.**
- 6. Item 1.3 of Form 44-101F1 is amended by replacing “www.sedar.com” with “[insert website of Renewed System]”.**
- 7. Item 11.6(3)(b)(ii) of Form 44-101F1 is amended by replacing “www.sedar.com” with “[insert website of Renewed System]”.**
- 8. This Instrument comes into force on ●.**

**PROPOSED AMENDMENTS TO
NATIONAL INSTRUMENT 44-102 *SHELF DISTRIBUTIONS***

1. ***National Instrument 44-102 Shelf Distributions is amended by this Instrument.***
2. ***Clause 9A.3(7)(b)(iv)(B) is amended by replacing “www.sedar.com” with “[insert website of Renewed System]”.***
3. This Instrument comes into force on ●.

**PROPOSED AMENDMENTS TO
NATIONAL INSTRUMENT 45-102 RESALE OF SECURITIES**

1. *National Instrument 45-102 Resale of Securities is amended by this Instrument.*
2. *Section 1.1 is amended by repealing the definition of “SEDAR”.*
3. *In the following provisions, “on SEDAR” is deleted:*
 - (a) *paragraph 2.8(3)(b);*
 - (b) *paragraph 2.11(a);*
 - (c) *paragraph 2.12(a).*
4. *The Instruction of Form 45-102F1 is amended by deleting “electronically through SEDAR”.*
5. This Instrument comes into force on ●.

**PROPOSED AMENDMENTS TO
NATIONAL INSTRUMENT 45-106 PROSPECTUS EXEMPTIONS**

1. **National Instrument 45-106 Prospectus Exemptions is amended by this Instrument.**
2. **Section 1.1 is amended**
 - (a) **in the definition of “qualifying issuer” by repealing paragraph (a), and**
 - (b) **by repealing the definition of “SEDAR filer”.**
3. **Section 5.2 is amended by repealing paragraph (b).**
4. **Item A1 of the General Instructions of Form 45-106F1 is amended by replacing the first paragraph with the following:**

An issuer or underwriter that is required to file a report of exempt distribution and pay the applicable filing fee must pay the filing fee and file the information required by this form in the manner and using the templates specified in the [Renewed System], in accordance with National Instrument 13-103 [System Replacement Rule].
5. **The third paragraph of Item A1 in the General Instructions of Form 45-106F1 is amended by adding:**
 - (a) **“filing” after “the applicable”, and**
 - (b) **the following after “that jurisdiction.”**

The issuer or underwriter must pay the filing fee through the [Renewed System] in accordance with National Instrument 13-103 [System Replacement Rule].
6. **Item B1 of terms used in Form 45-106F1 is amended by replacing the definition of “SEDAR profile” with the following:**

“[Renewed System] profile” means a profile required under section 4 of National Instrument 13-103 [System Replacement Rule].
7. **Item 5(c) of Form 45-106F1 is amended by replacing the heading “SEDAR profile number” with the following:**

[Renewed System] profile number
8. **Form 45-106F1 is amended by replacing Item 5(c) of the Form with the following:**

Provide the issuer’s [Renewed System] profile number

--	--	--	--	--	--	--	--	--
9. **Item 5 of Form 45-106F1 is amended by repealing paragraphs (d) to (h).**
10. **Item 6 of Form 45-106F1 is amended by:**
 - (a) **repealing paragraphs (c) to (e), and**
 - (b) **renumbering paragraph (f) as paragraph (c).**
11. **Item 7(h) of Form 45-106F1 is amended by replacing the second paragraph of the instructions with the following:**

If those materials have not been previously filed with or delivered to the securities regulatory authority or regulator in those jurisdictions, attach an electronic version..
12. **Form 45-106F2 is amended under the heading “The Issuer” by deleting “SEDAR filer? [Yes/No]”.**
13. **Item 2.2 of Form 45-106F3 is amended by replacing “SEDAR website at www.sedar.com” with “[Renewed System] at [insert website of Renewed System]”.**

14. ***Item 2.3 of Form 45-106F3 is amended by replacing “SEDAR” with “[Renewed System]”.***
15. ***Item C1 in the Instructions for Completing Form 45-106F3 is amended by deleting “on SEDAR”.***
16. ***The portion of the Form 45-106F3 after Item D2 in the Instructions for Completing Form is amended by replacing “SEDAR” with “[Renewed System]”.***
17. ***Item 9 of Form 45-106F14 is amended by replacing “SEDAR” with “[Renewed System]”.***
18. ***Item 40 of Form 45-106F15 is amended by replacing “SEDAR” with “[Renewed System]”.***
19. This Instrument comes into force on ●.

**PROPOSED AMENDMENTS TO
MULTILATERAL INSTRUMENT 45-108 CROWDFUNDING**

1. ***Multilateral Instrument 45-108 Crowdfunding is amended by this Instrument.***
2. ***Item 10 of Form 45-108F1 is amended by replacing “SEDAR website at www.sedar.com” with “[Renewed System] at [insert website of Renewed System]”.***
3. This Instrument comes into force on ●.

**PROPOSED AMENDMENTS TO
NATIONAL INSTRUMENT 51-101 STANDARDS OF DISCLOSURE FOR OIL AND GAS ACTIVITIES**

1. ***National Instrument 51-101 Standards of Disclosure for Oil and Gas Activities is amended by this Instrument.***
2. ***Paragraph 5.18(2)(c) is amended by replacing “SEDAR” with “[Renewed System]”.***
3. ***Form 51-101F4 is amended by replacing***
 - (a) ***“SEDAR” with “[Renewed System]”, and***
 - (b) ***“SEDAR at www.sedar.com” with “[Renewed System] at [insert website of Renewed System]”.***
4. This Instrument comes into force on ●.

**PROPOSED AMENDMENTS TO
NATIONAL INSTRUMENT 51-102 CONTINUOUS DISCLOSURE OBLIGATIONS**

1. **National Instrument 51-102 Continuous Disclosure Obligations is amended by this Instrument.**
2. **Subsection 1.1(1) is amended by deleting the definition of “electronic format”.**
3. **Paragraph 4.9(i) is amended by replacing “in electronic format” with “electronically”.**
4. **Section 5.8 is amended by replacing “www.sedar.com” wherever it occurs with “[insert website of Renewed System]”.**
5. **Section 9.1.1 is amended by replacing “SEDAR” wherever it occurs with “[Renewed System]”.**
6. **Section 9.1.2 is amended in the heading by replacing “SEDAR” with “[Renewed System]”.**
7. **Section 9.2 is amended by replacing “SEDAR” wherever it occurs with “[Renewed System]”.**
8. **Subsection 12.1(2) is repealed.**
9. **In the following provisions, “in electronic format” is replaced with “electronically”:**
 - (a) **Section 13.3;**
 - (b) **Section 13.4.**
10. **Item 1.15(a) of Form 51-102F1 is amended by replacing “SEDAR at www.sedar.com” with “[Renewed System] at [insert website of Renewed System]”.**
11. **Paragraph (f) of Part 1 of Form 51-102F2 is amended by replacing**
 - (a) **“SEDAR” with “[Renewed System]”, and**
 - (b) **“SEDAR at www.sedar.com” with “[Renewed System] at [insert website of Renewed System]”.**
12. **Item 17.1(1) of Form 51-102F2 is amended by replacing “SEDAR at www.sedar.com” with “[Renewed System] at [insert website of Renewed System]”.**
13. **Paragraph (ii) of the Instructions under Item 5.2 of Form 51-102F3 is amended by replacing “SEDAR at www.sedar.com” with “[Renewed System] at [insert website of Renewed System]”.**
14. **Paragraph (d) of Part 1 of Form 51-102F4 is amended by replacing “SEDAR at www.sedar.com” with “[Renewed System] at [insert website of Renewed System]”.**
15. **Paragraph (c) of Part 1 of Form 51-102F5 is amended by replacing “SEDAR at www.sedar.com” with “[Renewed System] at [insert website of Renewed System]”.**
16. **Item 16.1 of Part 2 of Form 51-102F5 is amended by replacing “SEDAR at www.sedar.com” with “[Renewed System] at [insert website of Renewed System]”.**
17. **This Instrument comes into force on ●.**

**PROPOSED AMENDMENTS TO
MULTILATERAL INSTRUMENT 51-105 ISSUERS QUOTED IN THE U.S. OVER-THE-COUNTER MARKETS**

1. ***Multilateral Instrument 51-105 Issuers Quoted in the U.S. Over-the-Counter Markets is amended by this Instrument.***
2. ***In the following provisions, “National Instrument 13-101 System for Electronic Document Analysis and Retrieval (SEDAR)” is replaced with “National Instrument 13-103 [System Replacement Rule]”:***
 - (a) ***paragraph 5(a);***
 - (b) ***subsection 7(2);***
 - (c) ***subsection 8(3).***
3. ***The General Instructions of Form 51-105F3A is amended by replacing “System for Electronic Document Analysis and Retrieval (SEDAR)” with “[Renewed System]”.***
4. This Instrument comes into force on ●.

**PROPOSED AMENDMENTS TO
NATIONAL INSTRUMENT 54-101
COMMUNICATION WITH BENEFICIAL OWNERS OF SECURITIES OF A REPORTING ISSUER**

1. ***National Instrument 54-101 Communication with Beneficial Owners of Securities of a Reporting Issuer is amended by this Instrument.***
2. ***Section 1.1 is amended by adding the following definition:***

 “[Renewed System]” has the same meaning as in National Instrument 13-103 [*System Replacement Rule*];.
3. ***Section 2.7.1 is amended by replacing “SEDAR” wherever it occurs with “[Renewed System]”.***
4. ***Section 2.7.2 is amended by replacing “SEDAR” with “[Renewed System]”.***
5. ***Section 2.7.4 is amended in the heading by replacing “SEDAR” with “[Renewed System]”.***
6. This Instrument comes into force on ●.

**PROPOSED AMENDMENTS TO
NATIONAL INSTRUMENT 58-101 *DISCLOSURE OF CORPORATE GOVERNANCE PRACTICES***

1. ***National Instrument 58-101 Disclosure of Corporate Governance Practices is amended by this Instrument.***
2. ***Section 1.1 is amended by:***
 - (a) ***deleting the definition of “SEDAR”, and***
 - (b) ***adding the following definition:***

“[Renewed System]” has the same meaning as in National Instrument 13-103 [*System Replacement Rule*];.
3. ***Section 2.3 is amended by deleting “on SEDAR”.***
4. ***The Instructions of Form 58-101F1 are amended by replacing “SEDAR” with “[Renewed System]”.***
5. This Instrument comes into force on ●.

**PROPOSED AMENDMENTS TO
NATIONAL INSTRUMENT 62-104 TAKE-OVER BIDS AND ISSUER BIDS**

1. ***National Instrument 62-104 Take-Over Bids and Issuer Bids is amended by this Instrument.***
2. ***Subsection 3.2(5) is amended by replacing “National Instrument 13-101 System for Electronic Document Analysis and Retrieval (SEDAR)” with “National Instrument 13-103 [System Replacement Rule].”***
3. ***Subsection 3.2(6) is repealed.***
4. ***Part 1(b) of Form 62-104F1 is amended by replacing “SEDAR at www.sedar.com” with “[Renewed System] at [insert website of Renewed System]”.***
5. ***Part 1(b) of Form 62-104F2 is amended by replacing “SEDAR at www.sedar.com” with “[Renewed System] at [insert website of Renewed System]”.***
6. This Instrument comes into force on ●.

**PROPOSED AMENDMENTS TO
NATIONAL INSTRUMENT 81-101 *MUTUAL FUND PROSPECTUS DISCLOSURE***

1. ***National Instrument 81-101 Mutual Fund Prospectus Disclosure is amended by this Instrument.***
2. ***Form 81-101F1 is amended in Part A by replacing “www.sedar.com” with “[insert website of Renewed System]” in the following provisions:***
 - (a) ***Item 3.1;***
 - (b) ***Item 3.2;***
 - (c) ***Item 14(2).***
3. ***Form 81-101F2 is amended in Item 24(2) by replacing “www.sedar.com” with “[insert website of Renewed System]”.***
4. This Instrument comes into force on ●.

**PROPOSED AMENDMENTS TO
NATIONAL INSTRUMENT 81-106 *INVESTMENT FUND CONTINUOUS DISCLOSURE***

1. ***National Instrument 81-106 Investment Fund Continuous Disclosure is amended by this Instrument.***
2. ***In the following provisions, “SEDAR” is replaced with “[Renewed System]”:***
 - (a) ***paragraph 5.2(5)(d);***
 - (b) ***paragraph 5.3(4)(b).***
3. ***Item 1 of Part B of Form 81-106F1 is amended by replacing “SEDAR at www.sedar.com” with “[Renewed System] at [insert website of Renewed System]”.***
4. ***Subsection (9) of the Instructions under Item 5 of Part B of Form 81-106F1 is amended by replacing “www.sedar.com” with “[insert website of Renewed System]”.***
5. ***Item 1 of Part C of Form 81-106F1 is amended by replacing “SEDAR at www.sedar.com” with “[Renewed System] at [insert website of Renewed System]”.***
6. This Instrument comes into force on ●.

**PROPOSED AMENDMENTS TO
NATIONAL INSTRUMENT 81-107 INDEPENDENT REVIEW COMMITTEE FOR INVESTMENT FUNDS**

1. *National Instrument 81-107 Independent Review Committee for Investment Funds is amended by this Instrument.*
2. *In the following provisions, “SEDAR” is replaced with “[Renewed System]”:*
 - (a) *paragraph 1 of the Commentary to section 4.4;*
 - (b) *paragraph 5 of the Commentary to section 5.3;*
 - (c) *paragraph 3 of the Commentary to section 6.2.*
3. This Instrument comes into force on ●.

**ANNEX D
PROPOSED CHANGES TO EXISTING POLICIES**

**PROPOSED CHANGES TO
COMPANION POLICY 11-102CP PASSPORT SYSTEM**

1. *Companion Policy 11-102CP Passport System is changed by this Document.*
2. *Section 1.1 is changed by deleting the definition of “MI 11-101”.*
3. *Subsection 1.3(3) is changed by deleting “through SEDAR”.*
4. *Section 3.3 is changed:*
 - (a) *by deleting “on SEDAR”, and*
 - (b) *by deleting “by sending a refusal letter through SEDAR”.*
5. *Section 3.5 is deleted.*
6. *Section 4.5 is deleted.*
7. *Section 4C.5 is deleted.*
8. *Appendix A is deleted.*
9. These changes become effective on ●.

**PROPOSED CHANGES TO
NATIONAL POLICY 11-201 *ELECTRONIC DELIVERY OF DOCUMENTS***

1. ***National Policy 11-201 Electronic Delivery of Documents is changed by this Document.***
2. ***Subsection 3.1(1) is deleted.***
3. ***Subsection 3.1(2) is changed by replacing “As with documents filed under SEDAR, documents” **with** “Documents”.***
4. ***Subsection 3.3(5) is deleted.***
5. ***Subsection 3.3(6) is changed by deleting “, such as SEDAR,”.***
6. These changes become effective on ●.

**PROPOSED CHANGES TO
NATIONAL POLICY 11-202 *PROCESS FOR PROSPECTUS REVIEWS IN MULTIPLE JURISDICTIONS***

1. ***National Policy 11-202 Process for Prospectus Reviews in Multiple Jurisdictions is changed by this Document.***
2. ***Part 2 is changed by adding “AND INTERPRETATION” to its title.***
3. ***Section 2.1 is changed by deleting the definition of “NI 13-101”.***
4. ***Section 2.2 is changed by replacing “NI 13-101” with “National Instrument 13-103 [System Replacement Rule]”.***
5. ***Part 2 is changed by adding the following section:***
 - 2.3 ***Electronic transmission*** – National Instrument 13-103 [*System Replacement Rule*] prescribes that each document that is required or permitted to be provided to a securities regulatory authority or regulator must be transmitted to the securities regulatory authority or regulator electronically through the [Renewed System].

The reference to a document includes any report, form, application, information, material and notice, as well as a copy thereof, and applies to documents that are required or permitted to be filed or deposited with, or delivered, furnished, sent, provided, submitted or otherwise transmitted to, a securities regulatory authority or regulator.

To reflect the phased implementation of the [Renewed System], the Appendix of National Instrument 13-103 [*System Replacement Rule*] sets out securities legislation under which documents are excluded from being filed or delivered in the [Renewed System].

Reference to National Instrument 13-103 [*System Replacement Rule*] should be made when providing any document to a securities regulatory authority or regulator under MI 11-102 and this policy..
6. ***Section 4.1 is changed by:***
 - (a) ***deleting “electronic”,***
 - (b) ***deleting “on SEDAR”, and***
 - (c) ***deleting the sentence “If the filer files a prospectus in paper format under NI 13-101, the filer should include this information in the cover letter for the prospectus.”.***
7. ***Section 4.3 is changed by deleting “on SEDAR”.***
8. ***Section 5.4 is changed by:***
 - (a) ***replacing “a first comment letter” with “initial comments”, and***
 - (b) ***deleting “on SEDAR”.***
9. ***Section 5.5 is changed by:***
 - (a) ***replacing “a first comment letter” with “initial comments”, and***
 - (b) ***deleting “on SEDAR”.***
10. ***Section 5.7 is changed by replacing “comment letter” with “comments”.***
11. ***The following provisions are changed by deleting “on SEDAR”:***
 - (a) ***subsection 6.1(1);***
 - (b) ***subsection 7.1(2).***
12. ***Subsection 7.2(2) is changed by replacing “the filer provides a letter to the principal regulator with the materials confirming the following” with “at the same time as filing the materials, the filer confirms to the principal regulator that”.***

13. **Section 7.3 is changed by:**
 - (a) **deleting** “on SEDAR”, **and**
 - (b) **replacing** “the filer provides a letter to the principal regulator with the materials confirming the following” **with** “at the same time as filing the materials, the filer confirms to the principal regulator that”.
14. **Subsection 8.2(1) is changed by deleting** “by letter”.
15. **The following provisions are changed by deleting** “on SEDAR”:
 - (a) **subsection 8.3(1);**
 - (b) **subsection 8.4(3);**
 - (c) **section 9.3.**
16. **Subsection 10.1(2) is changed by replacing** “the filer provides a letter to the principal regulator with the materials confirming the following” **with** “at the same time as filing the materials, the filer confirms to the principal regulator that”.
17. **Section 10.3 is changed:**
 - (a) **in subsection (1) by:**
 - (i) **replacing** “issues its comment letter” **with** “provides its comments”, **and**
 - (ii) **replacing** “issue its comment letter” **wherever the expression occurs with** “provide its comments”.
 - (b) **in paragraph (1)(a) by replacing** “comment letter” **with** “comments”,
 - (c) **in paragraph (1)(b) by replacing** “comment letter” **with** “comments”,
 - (d) **in subsection (2) by replacing** “issued its comment letter” **with** “provided its comments”,
 - (e) **in paragraph (2)(a) by replacing** “issue a comment letter” **with** “provide comments”,
 - (f) **in subsection (3) by replacing** “issued its comment letter” **with** “provided its comments”, **and**
 - (g) **in paragraph (3)(a) by replacing** “issue a comment letter” **with** “provide comments”.
18. **Section 10.4 is changed by replacing** “issue a comment letter” **wherever the expression occurs with** “provide comments”.
19. **Section 10.5 is changed by:**
 - (a) **deleting** “on SEDAR”, **and**
 - (b) **replacing** “the filer provides a letter to the principal regulator with the materials confirming the following” **with** “at the same time as filing the materials, the filer confirms to the principal regulator that”.
20. **Subsection 10.6(2) is changed by deleting** “on SEDAR”.
21. **Part 12 is changed by deleting** “AND TRANSITION” **in its title.**
22. **Section 12.2 is deleted.**
23. These changes become effective on •.

**PROPOSED CHANGES TO
NATIONAL POLICY 11-203 *PROCESS FOR EXEMPTIVE RELIEF APPLICATIONS IN MULTIPLE JURISDICTIONS***

1. ***National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions is changed by this Document.***
2. ***Part 2 is changed by adding “AND INTERPRETATION” in its title.***
3. ***The Policy is changed by adding the following section:***
 - 2.3 **Electronic transmission** – National Instrument 13-103 [*System Replacement Rule*] prescribes that each document that is required or permitted to be provided to a securities regulatory authority or regulator must be transmitted to the securities regulatory authority or regulator electronically through the [Renewed System].

The reference to a document includes any report, form, application, information, material and notice, as well as a copy thereof, and applies to documents that are required or permitted to be filed or deposited with, or delivered, furnished, sent, provided, submitted or otherwise transmitted to, a securities regulatory authority or regulator.

To reflect the phased implementation of the [Renewed System], the Appendix of National Instrument 13-103 [*System Replacement Rule*] sets out securities legislation under which documents are excluded from being filed or delivered in the [Renewed System].

Reference to National Instrument 13-103 [*System Replacement Rule*] should be made when providing any document to a securities regulatory authority or regulator under MI 11-102 and this policy..
4. ***Subsection 3.8(5) is deleted.***
5. ***Section 4.2 is changed by:***
 - (a) ***deleting “by letter”, and***
 - (b) ***deleting “in the pre-filing”.***
6. ***Subsections 4.3(1) and 4.4(1) are changed by deleting “in the pre-filing”.***
7. ***Section 5.1 is changed by replacing “In its application, the” with “The”.***
8. ***Section 5.3 is changed:***
 - (a) ***in its heading by replacing “sections 4.7 and 4.8” with “section 4.7”,***
 - (b) ***by deleting subsection (2),***
 - (c) ***in subsection (3) by deleting “or 4.8” and “and 4.8”,***
 - (d) ***in paragraph (4)(a) by deleting “or 4.8(1)”,***
 - (e) ***by replacing paragraph (4)(b) with the following:***
 - (b) ***include the date of the decision of the principal regulator for the initial application if the notice is given under section 4.7(1)(c) of MI 11-102., and***
 - (f) ***in subsection (6) by deleting “or (2)”.***
9. ***Section 5.5 is replaced with the following:***
 - 5.5 **Filing**
 - (1) As indicated in section 2.3 of this policy, reference to National Instrument 13-103 [*System Replacement Rule*] should be made when providing any document to a securities regulatory authority or regulator under MI 11-102 or this policy. A filer should consult the Appendix of National Instrument 13-103 [*System Replacement Rule*] to determine whether pre-filing or application materials are excluded from being filed or delivered in the [Renewed System] at this time.

- (2) When pre-filing or application materials are to be transmitted through the [Renewed System], a filer should send the application materials together with the fees to
- (a) the principal regulator, in the case of a passport application,
 - (b) the principal regulator and the OSC, in the case of a dual application, or
 - (c) each regulator from which the filer seeks exemptive relief, in the case of a coordinated review application.
- (3) When pre-filing or application materials are excluded from being transmitted through the [Renewed System], a filer should send the application materials in paper together with the fees to
- (a) the principal regulator, in the case of a passport application,
 - (b) the principal regulator and the OSC, in the case of a dual application, or
 - (c) each regulator from which the filer seeks exemptive relief, in the case of a coordinated review application.

The filer should also provide an electronic copy of the application materials, including the draft decision document, by e-mail. Filing the application concurrently in all required jurisdictions will make it easier for the principal regulator and non-principal regulators, if applicable, to process the application expeditiously. In Ontario, an electronic filing system is available for filing and tracking exemptive relief applications. Filers should file an application in Ontario using that system instead of e-mail.

Filers should send pre-filing and application materials by e-mail using the relevant address or addresses listed below:

British Columbia	www.bcsc.bc.ca (click on BCSC e-services and follow the steps)
Alberta	legalapplications@seccom.ab.ca
Saskatchewan	exemptions@gov.sk.ca
Manitoba	exemptions.msc@gov.mb.ca
Ontario	https://www.osc.gov.on.ca/filings
Québec	Dispenses-Passeport@lautorite.qc.ca
New Brunswick	Passport-passeport@nbosc-cvmnb.ca
Nova Scotia	nsscexemptions@gov.ns.ca
Prince Edward Island	CCIS@gov.pe.ca
Newfoundland and Labrador	securitiesexemptions@gov.nl.ca
Yukon	Corporateaffairs@gov.yk.ca
Northwest Territories	SecuritiesRegistry@gov.nt.ca
Nunavut	legal.registries@gov.nu.ca

10. Section 5.7 is changed by:

- (a) **deleting** “, fax number”, **and**
- (b) **replacing** “tell the filer, in the acknowledgement,” **with** “notify the filer of”.

11. Subsection 5.8(2) is changed by replacing “mark” **with** “treat”.

12. Subsection 7.2(1) is changed by replacing “circulate” **with** “provide”.

13. Subsection 8.1(2) is changed by deleting “or 4.8(l)(c)”.

14. *Part 9 is changed by deleting sections 9.2 and 9.3.*
15. These changes become effective on ●.

**PROPOSED CHANGES TO
NATIONAL POLICY 11-206 PROCESS FOR CEASE TO BE A REPORTING ISSUER APPLICATIONS**

1. **National Policy 11-206 Process for Cease to be a Reporting Issuer Applications is changed by this Document.**
2. **Part 2 is changed by adding “AND INTERPRETATION” in its title.**
3. **The Policy is changed by adding the following section:**
 - 4.1. **Electronic transmission** – National Instrument 13-103 [*System Replacement Rule*] prescribes that each document that is required or permitted to be provided to a securities regulatory authority or regulator must be transmitted to the securities regulatory authority or regulator electronically through the [Renewed System].

The reference to a document includes any report, form, application, information, material and notice, as well as a copy thereof, and applies to documents that are required or permitted to be filed or deposited with, or delivered, furnished, sent, provided, submitted or otherwise transmitted to, a securities regulatory authority or regulator.

To reflect the phased implementation of the [Renewed System], the Appendix of National Instrument 13-103 [*System Replacement Rule*] sets out securities legislation under which documents are excluded from being filed or delivered in the [Renewed System].

Reference to National Instrument 13-103 [*System Replacement Rule*] should be made when providing any document to a securities regulatory authority or regulator under Multilateral Instrument 11-102 *Passport System* and this policy..
4. **Subsection 10(1) is deleted.**
5. **Section 16 is changed by:**
 - (a) **deleting “by letter”, and**
 - (b) **deleting “in the pre-filing”.**
6. **Subsection 17(1) is changed by deleting “in the pre-filing”.**
7. **Subsection 22(1) is changed by replacing “In its application, the” with “The”.**
8. **Section 27 is replaced with the following:**

Filing

 27. A filer should send the application materials together with the fees to
 - (a) the principal regulator, in the case of a passport application, or
 - (b) the principal regulator and the OSC, in the case of a dual application..
9. **Subsection 30(2) is changed by replacing “mark” with “treat”.**
10. **Subsection 34(1) is changed by replacing “circulate” with “provide”.**
11. **Part 10 is changed:**
 - (a) **in its title by deleting “TRANSITION AND”, and**
 - (b) **by deleting section 40.**
12. These changes become effective on ●.

**PROPOSED CHANGES TO
NATIONAL POLICY 11-207
FAILURE-TO-FILE CEASE TRADE ORDERS AND REVOCATIONS IN MULTIPLE JURISDICTIONS**

1. **National Policy 11-207 Failure-to-File Cease Trade Orders and Revocations in Multiple Jurisdictions is changed by this Document.**
2. **Section 3 is changed by:**
 - (a) **deleting the definition of “SEDAR”, and**
 - (b) **adding the following definition:**

“[Renewed System]” means [full name of new system];.
3. **The Policy is changed by adding the following section:**
 - 5.1. **Electronic Transmission** – National Instrument 13-103 [*System Replacement Rule*] prescribes that each document that is required or permitted to be provided to a securities regulatory authority or regulator must be transmitted to the securities regulatory authority or regulator electronically through the [Renewed System].

The reference to a document includes any report, form, application, information, material and notice, as well as a copy thereof, and applies to documents that are required or permitted to be filed or deposited with, or delivered, furnished, sent, provided, submitted or otherwise transmitted to, a securities regulatory authority or regulator.

To reflect the phased implementation of the [Renewed System], the Appendix of National Instrument 13-103 [*System Replacement Rule*] sets out securities legislation under which documents are excluded from being filed or delivered in the [Renewed System].

Reference to National Instrument 13-103 [*System Replacement Rule*] should be made when providing any document to a securities regulatory authority or regulator under this policy..
4. **Section 13 is changed by replacing “SEDAR” with “[Renewed System]”.**
5. **Subsection 16(1) is changed by replacing “circulate” with “provide”.**
6. **Subsection 19(2) is changed by deleting “a copy of”.**
7. **Section 28 is changed by replacing “to hold an annual meeting requirement” with “to hold an annual meeting”.**
8. **Paragraph 33(1)(e) is changed by replacing “SEDAR” with “[Renewed System]”.**
9. **Section 37 is replaced with the following:**

Filing

 37. A filer should send the application materials, including the draft order together with the fees, where applicable, to
 - (a) the principal regulator, in the case of a passport application, or
 - (b) the principal regulator and the OSC, in the case of a dual application..
10. **Subsection 40(2) is changed by replacing “mark” with “treat”.**
11. **Subsection 45(1) is changed by replacing “circulate” with “provide”.**
12. These changes become effective on •.

**PROPOSED CHANGES TO
NATIONAL POLICY 12-202 REVOCATION OF CERTAIN CEASE TRADE ORDERS**

1. **National Policy 12-202 Revocation of Certain Cease Trade Orders is changed by this Document.**
2. **Section 2 is changed by:**
 - (a) **deleting the definition of “SEDAR”, and**
 - (b) **adding the following definition:**

“[Renewed System]” means [full name of new system];.
3. **The Policy is changed by adding the following section:**
 - 4.1. **Electronic transmission** – National Instrument 13-103 [*System Replacement Rule*] prescribes that each document that is required or permitted to be provided to a securities regulatory authority or regulator must be transmitted to the securities regulatory authority or regulator electronically through the [Renewed System].

The reference to a document includes any report, form, application, information, material and notice, as well as a copy thereof, and applies to documents that are required or permitted to be filed or deposited with, or delivered, furnished, sent, provided, submitted or otherwise transmitted to, a securities regulatory authority or regulator.

To reflect the phased implementation of the [Renewed System], the Appendix of National Instrument 13-103 [*System Replacement Rule*] sets out securities legislation under which documents are excluded from being filed or delivered in the [Renewed System].

Reference to National Instrument 13-103 [*System Replacement Rule*] should be made when providing any document to a securities regulatory authority or regulator under this policy..
4. **Section 9 is changed by replacing “to hold an annual meeting requirement” with “to hold an annual meeting”.**
5. **Paragraph 14(2)(f) is changed by replacing “SEDAR” with “[Renewed System]”.**
6. These changes become effective on •.

**PROPOSED CHANGES TO
NATIONAL POLICY 12-203 MANAGEMENT CEASE TRADE ORDERS**

1. ***National Policy 12-203 Management Cease Trade Orders is changed by this Document.***
2. ***Section 2 is changed by deleting the definition of “SEDAR”.***
3. ***The Policy is changed by adding the following section:***
 - 4.1. **Electronic transmission** – National Instrument 13-103 [*System Replacement Rule*] prescribes that each document that is required or permitted to be provided to a securities regulatory authority or regulator must be transmitted to the securities regulatory authority or regulator electronically through the [Renewed System].

The reference to a document includes any report, form, application, information, material and notice, as well as a copy thereof, and applies to documents that are required or permitted to be filed or deposited with, or delivered, furnished, sent, provided, submitted or otherwise transmitted to, a securities regulatory authority or regulator.

To reflect the phased implementation of the [Renewed System], the Appendix of National Instrument 13-103 [*System Replacement Rule*] sets out securities legislation under which documents are excluded from being filed or delivered in the [Renewed System].

Reference to National Instrument 13-103 [*System Replacement Rule*] should be made when providing any document to a securities regulatory authority or regulator under this policy..
4. ***Section 9 is changed by deleting “on SEDAR”.***
5. ***Section 14 is changed by:***
 - (a) ***deleting “then, for the purposes of filing on SEDAR,” and***
 - (b) ***deleting “electronic”.***
6. These changes become effective on ●.

**PROPOSED CHANGES TO
COMPANION POLICY 41-101CP TO NATIONAL INSTRUMENT 41-101 *GENERAL PROSPECTUS REQUIREMENTS***

1. ***Companion Policy 41-101CP to National Instrument 41-101 General Prospectus Requirements is changed by this Document.***
2. ***Section 1.2 is changed by adding the following subsection:***
 - (8) **Electronic transmission**

National Instrument 13-103 [*System Replacement Rule*] prescribes that each document that is required or permitted to be provided to a securities regulatory authority or regulator must be transmitted to the securities regulatory authority or regulator electronically through the [Renewed System].

The reference to a document includes any report, form, application, information, material and notice, as well as a copy thereof, and applies to documents that are required or permitted to be filed or deposited with, or delivered, furnished, sent, provided, submitted or otherwise transmitted to, a securities regulatory authority or regulator.

To reflect the phased implementation of the [Renewed System], the Appendix of National Instrument 13-103 [*System Replacement Rule*] sets out securities legislation under which documents are excluded from being filed or delivered in the [Renewed System].

Reference to National Instrument 13-103 [*System Replacement Rule*] should be made when providing any document to a securities regulatory authority or regulator under the Instrument and this Policy..
3. ***Subsection 3.5.1(2) is changed by replacing “System for Electronic Document Analysis and Retrieval (SEDAR)” with “[Renewed System]”.***
4. ***Subsection 3.5.1(3) is changed by replacing “SEDAR” with “[Renewed System]”.***
5. ***Subsection 6.5B(9) is changed by replacing “SEDAR” wherever it occurs with “[Renewed System]”.***
6. ***Subsection 6.5B(11) is changed by replacing “SEDAR” with “[Renewed System]”.***
7. ***Subsection 6.5B(12) is changed by replacing “SEDAR” with “[Renewed System]”.***
8. ***Subsection 6.12(4) is changed by replacing “SEDAR” with “[Renewed System]”.***
9. ***Subsection 6.12(7) is changed by replacing “SEDAR” wherever it occurs with “[Renewed System]”.***
10. These changes become effective on •.

**PROPOSED CHANGES TO
NATIONAL POLICY 41-201 *INCOME TRUSTS AND OTHER INDIRECT OFFERINGS***

1. *National Policy 41-201 Income Trusts and Other Indirect Offerings is changed by this Document.*
2. *In the following provisions, “SEDAR” is replaced with “[Renewed System]”:*
 - (a) *section 3.3;*
 - (b) *section 3.10 and its heading;*
 - (c) *section 6.1(B).*
3. These changes become effective on ●.

**PROPOSED CHANGES TO
COMPANION POLICY 43-101CP TO
NATIONAL INSTRUMENT 43-101 STANDARDS OF DISCLOSURE FOR MINERAL PROJECTS**

1. ***Companion Policy 43-101CP to National Instrument 43-101 Standards of Disclosure for Mineral Projects is changed by this Document.***
2. ***Subsection 4.2(1) is changed by replacing “SEDAR” wherever it occurs with “[Renewed System]”.***
3. ***Subsection 4.2(11) is replaced with the following:***
 - (11) **Electronic transmission** – National Instrument 13-103 [*System Replacement Rule*] prescribes that each document that is required or permitted to be provided to a securities regulatory authority or regulator must be transmitted to the securities regulatory authority or regulator electronically through the [Renewed System].

The reference to a document includes any report, form, application, information, material and notice, as well as a copy thereof, and applies to documents that are required or permitted to be filed or deposited with, or delivered, furnished, sent, provided, submitted or otherwise transmitted to, a securities regulatory authority or regulator.

To reflect the phased implementation of the [Renewed System], the Appendix of National Instrument 13-103 [*System Replacement Rule*] sets out securities legislation under which documents are excluded from being filed or delivered in the [Renewed System].

Reference to National Instrument 13-103 [*System Replacement Rule*] should be made when providing any document to a securities regulatory authority or regulator under the Instrument and this Policy..
4. ***Subsection 4.3(2) is changed by replacing “SEDAR” with “[Renewed System]”.***
5. ***Section 6.1 is changed by deleting the following:***

In addition, SEDAR might not be able to accommodate large technical report files. An issuer could have difficulty filing, and more importantly, the public could have difficulty accessing and downloading, large technical reports. An issuer should consider limiting the size of its technical reports to facilitate filing and public access to the reports..
6. These changes become effective on •.

**PROPOSED CHANGES TO
COMPANION POLICY 44-101CP TO NATIONAL INSTRUMENT 44-101 *SHORT FORM PROSPECTUS DISTRIBUTIONS***

1. ***Companion Policy 44-101CP to National Instrument 44-101 Short Form Prospectus Distributions is changed by this Document.***
2. ***The Policy is changed by adding the following section:***
 - 1.10 **Electronic transmission** – National Instrument 13-103 [*System Replacement Rule*] prescribes that each document that is required or permitted to be provided to a securities regulatory authority or regulator must be transmitted to the securities regulatory authority or regulator electronically through the [Renewed System].

The reference to a document includes any report, form, application, information, material and notice, as well as a copy thereof, and applies to documents that are required or permitted to be filed or deposited with, or delivered, furnished, sent, provided, submitted or otherwise transmitted to, a securities regulatory authority or regulator.

To reflect the phased implementation of the [Renewed System], the Appendix of National Instrument 13-103 [*System Replacement Rule*] sets out securities legislation under which documents are excluded from being filed or delivered in the [Renewed System].

Reference to National Instrument 13-103 [*System Replacement Rule*] should be made when providing any document to a securities regulatory authority or regulator under NI 44-101 and this Policy..
3. ***Section 3.1 is changed by replacing “the issuer’s filer profile for SEDAR” with “the issuer’s profile for the [Renewed System]”.***
4. ***Subsection 3.2.1(2) is changed by replacing “System for Electronic Document Analysis and Retrieval (SEDAR)” with “[Renewed System]”.***
5. ***Subsection 3.2.1(3) is changed by replacing “SEDAR” with “[Renewed System]”.***
6. These changes become effective on ●.

**PROPOSED CHANGES TO
COMPANION POLICY 44-102CP TO NATIONAL INSTRUMENT 44-102 SHELF DISTRIBUTIONS**

1. ***Companion Policy 44-102CP to National Instrument 44-102 Shelf Distributions is changed by this Document.***
2. ***The Policy is changed by adding the following section:***

1.1.1 Electronic transmission

National Instrument 13-103 [*System Replacement Rule*] prescribes that each document that is required or permitted to be provided to a securities regulatory authority or regulator must be transmitted to the securities regulatory authority or regulator electronically through the [Renewed System].

The reference to a document includes any report, form, application, information, material and notice, as well as a copy thereof, and applies to documents that are required or permitted to be filed or deposited with, or delivered, furnished, sent, provided, submitted or otherwise transmitted to, a securities regulatory authority or regulator.

To reflect the phased implementation of the [Renewed System], the Appendix of National Instrument 13-103 [*System Replacement Rule*] sets out securities legislation under which documents are excluded from being filed or delivered in the [Renewed System].

Reference to National Instrument 13-103 [*System Replacement Rule*] should be made when providing any document to a securities regulatory authority or regulator under NI 44-102 and this policy..

3. ***Section 1.3 is changed by replacing “SEDAR” with “[Renewed System]”.***
4. These changes become effective on ●.

**PROPOSED CHANGES TO
COMPANION POLICY 44-103CP TO NATIONAL INSTRUMENT 44-103 *POST-RECEIPT PRICING***

1. ***Companion Policy 44-103CP to National Instrument 44-103 Post-Receipt Pricing is changed by this Document.***
2. ***The Policy is changed by adding the following section:***

1.4 Electronic transmission

National Instrument 13-103 [*System Replacement Rule*] prescribes that each document that is required or permitted to be provided to a securities regulatory authority or regulator must be transmitted to the securities regulatory authority or regulator electronically through the [Renewed System].

The reference to a document includes any report, form, application, information, material and notice, as well as a copy thereof, and applies to documents that are required or permitted to be filed or deposited with, or delivered, furnished, sent, provided, submitted or otherwise transmitted to, a securities regulatory authority or regulator.

To reflect the phased implementation of the [Renewed System], the Appendix of National Instrument 13-103 [*System Replacement Rule*] sets out securities legislation under which documents are excluded from being filed or delivered in the [Renewed System].

Reference to National Instrument 13-103 [*System Replacement Rule*] should be made when providing any document to a securities regulatory authority or regulator under the Instrument and this policy..

3. These changes become effective on ●.

**PROPOSED CHANGES TO
COMPANION POLICY 45-102 RESALE OF SECURITIES**

1. ***Companion Policy 45-102 Resale of Securities is changed by this Document.***

2. ***Section 1.1 is changed by adding the following paragraph:***

(4) **Electronic transmission** – National Instrument 13-103 [*System Replacement Rule*] prescribes that each document that is required or permitted to be provided to a securities regulatory authority or regulator must be transmitted to the securities regulatory authority or regulator electronically through the [Renewed System].

The reference to a document includes any report, form, application, information, material and notice, as well as a copy thereof, and applies to documents that are required or permitted to be filed or deposited with, or delivered, furnished, sent, provided, submitted or otherwise transmitted to, a securities regulatory authority or regulator.

To reflect the phased implementation of the [Renewed System], the Appendix of National Instrument 13-103 [*System Replacement Rule*] sets out securities legislation under which documents are excluded from being filed or delivered in the [Renewed System].

Reference to National Instrument 13-103 [*System Replacement Rule*] should be made when providing any document to a securities regulatory authority or regulator under NI 45-102 and this policy..

3. ***Section 1.16 is changed:***

(a) ***by replacing “SEDAR” with “[Renewed System]”, and***

(b) ***by replacing “13-101 System for Electronic Document Analysis and Retrieval (SEDAR) and the current CSA SEDAR Filer Manual (including code updates)” with “13-103 [System Replacement Rule] and its Companion Policy”.***

4. These changes become effective on ●.

**PROPOSED CHANGES TO
COMPANION POLICY 45-106CP PROSPECTUS EXEMPTIONS**

1. ***Companion Policy 45-106CP Prospectus Exemptions is changed by this Document.***
2. ***Part 2 is changed by adding the following paragraph:***

2.1.01 Electronic Transmission

National Instrument 13-103 [*System Replacement Rule*] prescribes that each document that is required or permitted to be provided to a securities regulatory authority or regulator must be transmitted to the securities regulatory authority or regulator electronically through the [Renewed System].

The reference to a document includes any report, form, application, information, material and notice, as well as a copy thereof, and applies to documents that are required or permitted to be filed or deposited with, or delivered, furnished, sent, provided, submitted or otherwise transmitted to, a securities regulatory authority or regulator.

To reflect the phased implementation of the [Renewed System], the Appendix of National Instrument 13-103 [*System Replacement Rule*] sets out securities legislation under which documents are excluded from being filed or delivered in the [Renewed System].

Reference to National Instrument 13-103 [*System Replacement Rule*] should be made when providing any document to a securities regulatory authority or regulator under NI 45-106 and this Companion Policy..

3. ***Subsection 5.1(3) is replaced with the following:***

(3) *Electronic filing of Form 45-106F1 Report of Exempt Distribution*

Form 45-106F1 is required to be filed in all CSA jurisdictions through the [Renewed System] in the manner and using the templates specified in the [Renewed System]..

4. These changes become effective on ●.

**PROPOSED CHANGES TO
COMPANION POLICY 45-108CP CROWDFUNDING**

1. ***Companion Policy 45-108CP Crowdfunding is changed by this Document.***
2. ***The Preamble to Companion Policy is changed by adding the following after the section “Multi-jurisdictional distributions” and before “PART 1 DEFINITIONS AND INTERPRETATION”:***

Electronic transmission

National Instrument 13-103 [*System Replacement Rule*] prescribes that each document that is required or permitted to be provided to a securities regulatory authority or regulator must be transmitted to the securities regulatory authority or regulator electronically through the [Renewed System].

The reference to a document includes any report, form, application, information, material and notice, as well as a copy thereof, and applies to documents that are required or permitted to be filed or deposited with, or delivered, furnished, sent, provided, submitted or otherwise transmitted to, a securities regulatory authority or regulator.

To reflect the phased implementation of the [Renewed System], the Appendix of National Instrument 13-103 [*System Replacement Rule*] sets out securities legislation under which documents are excluded from being filed or delivered in the [Renewed System].

Reference to National Instrument 13-103 [*System Replacement Rule*] should be made when providing any document to a securities regulatory authority or regulator under the Instrument and this Companion Policy..

3. These changes become effective on •.

**PROPOSED CHANGES TO
NATIONAL POLICY 46-201 ESCROW FOR INITIAL PUBLIC OFFERINGS**

1. ***National Policy 46-201 Escrow for Initial Public Offerings is changed by this Document.***

2. ***Section 1.2 is changed by adding the following paragraph:***

(4) National Instrument 13-103 [*System Replacement Rule*] prescribes that each document that is required or permitted to be provided to a securities regulatory authority or regulator must be transmitted to the securities regulatory authority or regulator electronically through the [Renewed System].

The reference to a document includes any report, form, application, information, material and notice, as well as a copy thereof, and applies to documents that are required or permitted to be filed or deposited with, or delivered, furnished, sent, provided, submitted or otherwise transmitted to, a securities regulatory authority or regulator.

To reflect the phased implementation of the [Renewed System], the Appendix of National Instrument 13-103 [*System Replacement Rule*] sets out securities legislation under which documents are excluded from being filed or delivered in the [Renewed System].

Reference to National Instrument 13-103 [*System Replacement Rule*] should be made when providing any document to a securities regulatory authority or regulator under this Policy..

3. These changes become effective on •.

**PROPOSED CHANGES TO
NATIONAL POLICY 47-201 TRADING SECURITIES USING THE INTERNET AND OTHER ELECTRONIC MEANS**

1. ***National Policy 47-201 Trading Securities Using the Internet and Other Electronic Means is changed by this Document.***
2. ***Part 1 is changed by adding the following paragraph:***

1.4 *Electronic Transmission*

National Instrument 13-103 [*System Replacement Rule*] prescribes that each document that is required or permitted to be provided to a securities regulatory authority or regulator must be transmitted to the securities regulatory authority or regulator electronically through the [Renewed System].

The reference to a document includes any report, form, application, information, material and notice, as well as a copy thereof, and applies to documents that are required or permitted to be filed or deposited with, or delivered, furnished, sent, provided, submitted or otherwise transmitted to, a securities regulatory authority or regulator.

To reflect the phased implementation of the [Renewed System], the Appendix of National Instrument 13-103 [*System Replacement Rule*] sets out securities legislation under which documents are excluded from being filed or delivered in the [Renewed System].

Reference to National Instrument 13-103 [*System Replacement Rule*] should be made when providing any document to a securities regulatory authority or regulator under this Policy..

3. These changes become effective on ●.

**PROPOSED CHANGES TO
COMPANION POLICY 51-101 STANDARDS OF DISCLOSURE FOR OIL AND GAS ACTIVITIES**

1. ***Companion Policy 51-101 Standards of Disclosure for Oil and Gas Activities is changed by this Document.***
2. ***The fourth opening paragraph is changed by replacing “SEDAR” with “[Renewed System]”.***
3. ***The Policy is changed by adding the following section:***

1.5 Electronic transmission

National Instrument 13-103 [*System Replacement Rule*] prescribes that each document that is required or permitted to be provided to a securities regulatory authority or regulator must be transmitted to the securities regulatory authority or regulator electronically through the [Renewed System].

The reference to a document includes any report, form, application, information, material and notice, as well as a copy thereof, and applies to documents that are required or permitted to be filed or deposited with, or delivered, furnished, sent, provided, submitted or otherwise transmitted to, a securities regulatory authority or regulator.

To reflect the phased implementation of the [Renewed System], the Appendix of National Instrument 13-103 [*System Replacement Rule*] sets out securities legislation under which documents are excluded from being filed or delivered in the [Renewed System].

Reference to National Instrument 13-103 [*System Replacement Rule*] should be made when providing any document to a securities regulatory authority or regulator under NI 51-101 and this Companion Policy..

4. ***Section 2.1 is changed in the heading by replacing “SEDAR” with “[Renewed System]”.***
5. ***Section 2.1 is changed by***
 - (a) ***replacing “SEDAR” wherever it occurs with “[Renewed System]”, and***
 - (b) ***replacing “National Instrument 13-101 System for Electronic Document Analysis and Retrieval (SEDAR) and the current CSA “SEDAR Filer Manual”” with “National Instrument 13-103 [System Replacement Rule] and its Companion Policy”.***
6. ***Subsection 2.4(2) is changed by replacing “SEDAR” wherever it occurs with “[Renewed System]”.***
7. ***Subsection 5.2(5) is changed by replacing “SEDAR” with “[Renewed System]”.***
8. These changes become effective on •.

**PROPOSED CHANGES TO
COMPANION POLICY 51-102CP CONTINUOUS DISCLOSURE OBLIGATIONS**

1. ***Companion Policy 51-102CP Continuous Disclosure Obligations is changed by this Document.***
2. ***Subsection 1.2(2) is changed by replacing “SEDAR” wherever it occurs with “[Renewed System]”.***
3. ***The Policy is changed by adding the following section:***

1.11 Electronic transmission

National Instrument 13-103 [*System Replacement Rule*] prescribes that each document that is required or permitted to be provided to a securities regulatory authority or regulator must be transmitted to the securities regulatory authority or regulator electronically through the [Renewed system].

The reference to a document includes any report, form, application, information, material and notice, as well as a copy thereof, and applies to documents that are required or permitted to be filed or deposited with, or delivered, furnished, sent, provided, submitted or otherwise transmitted to, a securities regulatory authority or regulator.

To reflect the phased implementation of the [Renewed System], the Appendix of National Instrument 13-103 [*System Replacement Rule*] sets out securities legislation under which documents are excluded from being filed or delivered in the [Renewed System].

Reference to National Instrument 13-103 [*System Replacement Rule*] should be made when providing any document to a securities regulatory authority or regulator under the Instrument and this Policy..

4. ***Subparagraph 3.9(1)(b)(i) is changed by replacing “SEDAR” with “[Renewed System]”.***
5. ***Section 6.1 is changed by replacing “SEDAR” wherever it occurs with “[Renewed System]”.***
6. ***Section 9.2 is changed by replacing “SEDAR” with “[Renewed System]”.***
7. ***Section 9.3 is changed by replacing “SEDAR” with “[Renewed System]”.***
8. ***Subsection 10.3(5) is changed by replacing “SEDAR” wherever it occurs with “[Renewed System]”.***
9. These changes become effective on •.

**PROPOSED CHANGES TO
COMPANION POLICY 51-105CP MULTILATERAL INSTRUMENT 51-105
ISSUERS QUOTED IN THE U.S. OVER-THE-COUNTER MARKETS**

1. ***Companion Policy 51-105CP Multilateral Instrument 51-105 Issuers Quoted in the U.S. Over-the-Counter Markets is changed by this Document.***

2. ***The Policy is changed by adding the following section:***

1.1 Electronic transmission

National Instrument 13-103 [*System Replacement Rule*] prescribes that each document that is required or permitted to be provided to a securities regulatory authority or regulator must be transmitted to the securities regulatory authority or regulator electronically through the [Renewed System].

The reference to a document includes any report, form, application, information, material and notice, as well as a copy thereof, and applies to documents that are required or permitted to be filed or deposited with, or delivered, furnished, sent, provided, submitted or otherwise transmitted to, a securities regulatory authority or regulator.

To reflect the phased implementation of the [Renewed System], the Appendix of National Instrument 13-103 [*System Replacement Rule*] sets out securities legislation under which documents are excluded from being filed or delivered in the [Renewed System].

Reference to National Instrument 13-103 [*System Replacement Rule*] should be made when providing any document to a securities regulatory authority or regulator under the Instrument and this Companion Policy..

3. ***Section 5 is changed by replacing “SEDAR” wherever it occurs with “[Renewed System]”.***
4. These changes become effective on •.

**PROPOSED CHANGES TO
NATIONAL POLICY 51-201 DISCLOSURE STANDARDS**

1. ***National Policy 51-201 Disclosure Standards is changed by this Document.***
2. ***The Policy is changed by adding the following section:***
 - 1.2 ***Electronic Transmission:*** (1) National Instrument 13-103 [*System Replacement Rule*] prescribes that each document that is required or permitted to be provided to a securities regulatory authority or regulator must be transmitted to the securities regulatory authority or regulator electronically through the [Renewed System].
 - (2) The reference to a document includes any report, form, application, information, material and notice, as well as a copy thereof, and applies to documents that are required or permitted to be filed or deposited with, or delivered, furnished, sent, provided, submitted or otherwise transmitted to, a securities regulatory authority or regulator.
 - (3) To reflect the phased implementation of the [Renewed System], the Appendix of National Instrument 13-103 [*System Replacement Rule*] sets out securities legislation under which documents are excluded from being filed or delivered in the [Renewed System].
 - (4) Reference to National Instrument 13-103 [*System Replacement Rule*] should be made when providing any document to a securities regulatory authority or regulator under this policy..
3. ***Footnote 23 is changed by replacing “SEDAR” wherever it occurs with “[Renewed System]”.***
4. ***Subsection 6.11(2) is changed by replacing “SEDAR” with “[Renewed System]”.***
5. These changes become effective on •.

**PROPOSED CHANGES TO
COMPANION POLICY 52-107CP ACCEPTABLE ACCOUNTING PRINCIPLES AND AUDITING STANDARDS**

1. ***Companion Policy 52-107CP Acceptable Accounting Principles and Auditing Standards is changed by this Document.***

2. ***Part 1 is changed by adding the following section:***

1.5.1 Electronic Transmission – National Instrument 13-103 [*System Replacement Rule*] prescribes that each document that is required or permitted to be provided to a securities regulatory authority or regulator must be transmitted to the securities regulatory authority or regulator electronically through the [Renewed System].

The reference to a document includes any report, form, application, information, material and notice, as well as a copy thereof, and applies to documents that are required or permitted to be filed or deposited with, or delivered, furnished, sent, provided, submitted or otherwise transmitted to, a securities regulatory authority or regulator.

To reflect the phased implementation of the [Renewed System], the Appendix of National Instrument 13-103 [*System Replacement Rule*] sets out securities legislation under which documents are excluded from being filed or delivered in the [Renewed System].

Reference to National Instrument 13-103 [*System Replacement Rule*] should be made when providing any document to a securities regulatory authority or regulator under the Instrument and this Companion Policy..

3. These changes become effective on •.

**PROPOSED CHANGES TO
COMPANION POLICY 52-108CP AUDITOR OVERSIGHT**

1. ***Companion Policy 52-108CP Auditor Oversight is changed by this Document.***
2. ***The Companion Policy is changed by adding the following section after the Introduction and before section 1:***

Electronic Transmission

National Instrument 13-103 [*System Replacement Rule*] prescribes that each document that is required or permitted to be provided to a securities regulatory authority or regulator must be transmitted to the securities regulatory authority or regulator electronically through the [Renewed System].

The reference to a document includes any report, form, application, information, material and notice, as well as a copy thereof, and applies to documents that are required or permitted to be filed or deposited with, or delivered, furnished, sent, provided, submitted or otherwise transmitted to, a securities regulatory authority or regulator.

To reflect the phased implementation of the [Renewed System], the Appendix of National Instrument 13-103 [*System Replacement Rule*] sets out securities legislation under which documents are excluded from being filed or delivered in the [Renewed System].

Reference to National Instrument 13-103 [*System Replacement Rule*] should be made when providing any document to a securities regulatory authority or regulator under National Instrument 52-108 *Auditor Oversight* and this Policy..

3. These changes become effective on ●.

**PROPOSED CHANGES TO
COMPANION POLICY 52-109CP TO NATIONAL INSTRUMENT 52-109
CERTIFICATION OF DISCLOSURE IN ISSUERS' ANNUAL AND INTERIM FILINGS**

1. ***Companion Policy 52-109CP to National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings is changed by this Document.***
2. ***Part 1 is changed by adding the following section:***
 - 1.8 **Electronic transmission** – National Instrument 13-103 [*System Replacement Rule*] prescribes that each document that is required or permitted to be provided to a securities regulatory authority or regulator must be transmitted to the securities regulatory authority or regulator electronically through the [Renewed System].

The reference to a document includes any report, form, application, information, material and notice, as well as a copy thereof, and applies to documents that are required or permitted to be filed or deposited with, or delivered, furnished, sent, provided, submitted or otherwise transmitted to, a securities regulatory authority or regulator.

To reflect the phased implementation of the [Renewed System], the Appendix of National Instrument 13-103 [*System Replacement Rule*] sets out securities legislation under which documents are excluded from being filed or delivered in the [Renewed System].

Reference to National Instrument 13-103 [*System Replacement Rule*] should be made when providing any document to a securities regulatory authority or regulator under the Instrument and this Policy..
3. These changes become effective on ●.

**PROPOSED CHANGES TO
COMPANION POLICY 54-101CP TO NATIONAL INSTRUMENT 54-101
COMMUNICATION WITH BENEFICIAL OWNERS OF SECURITIES OF A REPORTING ISSUER**

1. ***Companion Policy 54-101CP to National Instrument 54-101 Communication with Beneficial Owners of Securities of a Reporting Issuer is changed by this Document.***

2. ***The Policy is changed by adding the following section:***

2.8 Electronic Transmission – National Instrument 13-103 [*System Replacement Rule*] prescribes that each document that is required or permitted to be provided to a securities regulatory authority or regulator must be transmitted to the securities regulatory authority or regulator electronically through the [Renewed System].

The reference to a document includes any report, form, application, information, material and notice, as well as a copy thereof, and applies to documents that are required or permitted to be filed or deposited with, or delivered, furnished, sent, provided, submitted or otherwise transmitted to, a securities regulatory authority or regulator.

To reflect the phased implementation of the [Renewed System], the Appendix of National Instrument 13-103 [*System Replacement Rule*] sets out securities legislation under which documents are excluded from being filed or delivered in the [Renewed System].

Reference to National Instrument 13-103 [*System Replacement Rule*] should be made when providing any document to a securities regulatory authority or regulator under the Instrument and this policy..

3. ***Table A in Section 5.1 is changed by replacing “SEDAR” wherever it occurs with “[Renewed System]”.***

4. ***Table B in Section 5.1 is changed by replacing “SEDAR” wherever it occurs with “[Renewed System]”.***

5. ***Section 5.4 is changed:***

- (a) in subsection (1) by replacing “SEDAR” with “[Renewed System]”,***
- (b) in subsection (5) by replacing “SEDAR” wherever it occurs with “[Renewed System]”,***
- (c) in subsection (6) by replacing “SEDAR” wherever it occurs with “[Renewed System]”, and***
- (d) in subsection (8) by replacing “SEDAR” with “[Renewed System]”.***

6. These changes become effective on ●.

**PROPOSED CHANGES TO
NATIONAL POLICY 58-201 CORPORATE GOVERNANCE GUIDELINES**

1. ***National Policy 58-201 Corporate Governance Guidelines is changed by this Document.***

2. ***The Policy is changed by adding the following section:***

1.3 Electronic Transmission – National Instrument 13-103 [*System Replacement Rule*] prescribes that each document that is required or permitted to be provided to a securities regulatory authority or regulator must be transmitted to the securities regulatory authority or regulator electronically through the [Renewed System].

The reference to a document includes any report, form, application, information, material and notice, as well as a copy thereof, and applies to documents that are required or permitted to be filed or deposited with, or delivered, furnished, sent, provided, submitted or otherwise transmitted to, a securities regulatory authority or regulator.

To reflect the phased implementation of the [Renewed System], the Appendix of National Instrument 13-103 [*System Replacement Rule*] sets out securities legislation under which documents are excluded from being filed or delivered in the [Renewed System].

Reference to National Instrument 13-103 [*System Replacement Rule*] should be made when providing any document to a securities regulatory authority or regulator under this policy..

3. These changes become effective on •.

**PROPOSED CHANGES TO
COMPANION POLICY 61-101CP MULTILATERAL INSTRUMENT 61-101
PROTECTION OF MINORITY SECURITY HOLDERS IN SPECIAL TRANSACTIONS**

1. ***Companion Policy 61-101CP to Multilateral Instrument 61-101 Protection of Minority Security Holders in Special Transactions is changed by this Document.***

2. ***The Policy is changed by adding the following section:***

1.2. Electronic Transmission – National Instrument 13-103 [*System Replacement Rule*] prescribes that each document that is required or permitted to be provided to a securities regulatory authority or regulator must be transmitted to the securities regulatory authority or regulator electronically through the [Renewed System].

The reference to a document includes any report, form, application, information, material and notice, as well as a copy thereof, and applies to documents that are required or permitted to be filed or deposited with, or delivered, furnished, sent, provided, submitted or otherwise transmitted to, a securities regulatory authority or regulator.

To reflect the phased implementation of the [Renewed System], the Appendix of National Instrument 13-103 [*System Replacement Rule*] sets out securities legislation under which documents are excluded from being filed or delivered in the [Renewed System].

Reference to National Instrument 13-103 [*System Replacement Rule*] should be made when providing any document to a securities regulatory authority or regulator under the Instrument and this policy..

3. These changes become effective on ●.

**PROPOSED CHANGES TO
NATIONAL POLICY 62-203 TAKE-OVER BIDS AND ISSUER BIDS**

1. ***National Policy 62-203 Take-Over Bids and Issuer Bids is changed by this Document.***
2. ***The Policy is changed by adding the following section:***

1.2. Electronic transmission – National Instrument 13-103 [*System Replacement Rule*] prescribes that each document that is required or permitted to be provided to a securities regulatory authority or regulator must be transmitted to the securities regulatory authority or regulator electronically through the [Renewed System].

The reference to a document includes any report, form, application, information, material and notice, as well as a copy thereof, and applies to documents that are required or permitted to be filed or deposited with, or delivered, furnished, sent, provided, submitted or otherwise transmitted to, a securities regulatory authority or regulator.

To reflect the phased implementation of the [Renewed System], the Appendix of National Instrument 13-103 [*System Replacement Rule*] sets out securities legislation under which documents are excluded from being filed or delivered in the [Renewed System].

Reference to National Instrument 13-103 [*System Replacement Rule*] should be made when providing any document to a securities regulatory authority or regulator under this policy..

3. These changes become effective on •.

**PROPOSED CHANGES TO
COMPANION POLICY 71-102CP CONTINUOUS DISCLOSURE AND
OTHER EXEMPTIONS RELATING TO FOREIGN ISSUERS**

1. ***Companion Policy 71-102CP Continuous Disclosure and Other Exemptions Relating to Foreign Issuers is changed by this Document.***

2. ***Part 1 is changed by adding the following section:***

1.5 Electronic Transmission

National Instrument 13-103 [*System Replacement Rule*] prescribes that each document that is required or permitted to be provided to a securities regulatory authority or regulator must be transmitted to the securities regulatory authority or regulator electronically through the [Renewed System].

The reference to a document includes any report, form, application, information, material and notice, as well as a copy thereof, and applies to documents that are required or permitted to be filed or deposited with, or delivered, furnished, sent, provided, submitted or otherwise transmitted to, a securities regulatory authority or regulator.

To reflect the phased implementation of the [Renewed System], the Appendix of National Instrument 13-103 [*System Replacement Rule*] sets out securities legislation under which documents are excluded from being filed or delivered in the [Renewed System].

Reference to National Instrument 13-103 [*System Replacement Rule*] should be made when providing any document to a securities regulatory authority or regulator under the Instrument and this Companion Policy..

3. ***Section 4.1 is changed in the heading by replacing “SEDAR” with “[Renewed System]”.***
4. ***Section 4.1 is changed by replacing “SEDAR” wherever it occurs with “[Renewed System]”.***
5. These changes become effective on •.

**PROPOSED CHANGES TO
COMPANION POLICY 81-101CP TO NATIONAL INSTRUMENT 81-101 *MUTUAL FUND PROSPECTUS DISCLOSURE***

1. ***Companion Policy 81-101CP to National Instrument 81-101 Mutual Fund Prospectus Disclosure is changed by this Document.***

2. ***Subsection 2.5(1) is changed by replacing***

“All documents required to be filed under the Instrument must be filed in accordance with National Instrument 13-101 *System for Electronic Document Analysis and Retrieval (SEDAR)*.”

with

“National Instrument 13-103 [*System Replacement Rule*] prescribes that each document that is required or permitted to be provided to a securities regulatory authority or regulator must be transmitted to the securities regulatory authority or regulator electronically through the [Renewed System].

The reference to a document includes any report, form, application, information, material and notice, as well as a copy thereof, and applies to documents that are required or permitted to be filed or deposited with, or delivered, furnished, sent, provided, submitted or otherwise transmitted to, a securities regulatory authority or regulator.

To reflect the phased implementation of the [Renewed System], the Appendix of National Instrument 13-103 [*System Replacement Rule*] sets out securities legislation under which documents are excluded from being filed or delivered in the [Renewed System].

Reference to National Instrument 13-103 [*System Replacement Rule*] should be made when providing any document to a securities regulatory authority or regulator under the Instrument and this Policy.”.

3. ***Section 2.5.1 is changed***

(a) ***in subsection (2) by replacing “System for Electronic Document Analysis and Retrieval (SEDAR)” with “[Renewed System]”, and***

(b) ***in subsection (3) by replacing “SEDAR” with “[Renewed System]”.***

4. These changes become effective on •.

**PROPOSED CHANGES TO
COMPANION POLICY 81-102CP TO NATIONAL INSTRUMENT 81-102 INVESTMENT FUNDS**

1. ***Companion Policy 81-102CP to National Instrument 81-102 Investment Funds is changed by this Document.***
2. ***The Companion Policy is changed by adding after Part 2:***

“PART 2.1 ELECTRONIC TRANSMISSION

National Instrument 13-103 [*System Replacement Rule*] prescribes that each document that is required or permitted to be provided to a securities regulatory authority or regulator must be transmitted to the securities regulatory authority or regulator electronically through the [Renewed System].

The reference to a document includes any report, form, application, information, material and notice, as well as a copy thereof, and applies to documents that are required or permitted to be filed or deposited with, or delivered, furnished, sent, provided, submitted or otherwise transmitted to, a securities regulatory authority or regulator.

To reflect the phased implementation of the [Renewed System], the Appendix of National Instrument 13-103 [*System Replacement Rule*] sets out securities legislation under which documents are excluded from being filed or delivered in the [Renewed System].

Reference to National Instrument 13-103 [*System Replacement Rule*] should be made when providing any document to a securities regulatory authority or regulator under the Instrument and this Policy.”.

3. These changes become effective on ●.

**PROPOSED CHANGES TO
COMPANION POLICY 81-106CP TO NATIONAL INSTRUMENT 81-106 *INVESTMENT FUND CONTINUOUS DISCLOSURE***

1. ***Companion Policy 81-106CP to National Instrument 81-106 Investment Fund Continuous Disclosure is changed by this Document.***
2. ***Section 1.6 is replaced with the following:***
 - 1.6 **Electronic Transmission to a Securities Regulatory Authority or Regulator** – National Instrument 13-103 [*System Replacement Rule*] prescribes that each document that is required or permitted to be provided to a securities regulatory authority or regulator must be transmitted to the securities regulatory authority or regulator electronically through the [Renewed System].

The reference to a document includes any report, form, application, information, material and notice, as well as a copy thereof, and applies to documents that are required or permitted to be filed or deposited with, or delivered, furnished, sent, provided, submitted or otherwise transmitted to, a securities regulatory authority or regulator.

To reflect the phased implementation of the [Renewed System], the Appendix of National Instrument 13-103 [*System Replacement Rule*] sets out securities legislation under which documents are excluded from being filed or delivered in the [Renewed System].

Reference to National Instrument 13-103 [*System Replacement Rule*] should be made when providing any document to a securities regulatory authority or regulator under the Instrument and this Policy..
3. These changes become effective on ●.

**PROPOSED CHANGES TO
POLICY STATEMENT TO REGULATION 81-107
RESPECTING INDEPENDENT REVIEW COMMITTEE FOR INVESTMENT FUNDS**

1. ***Policy Statement to Regulation 81-107 Respecting Independent Review Committee for Investment Funds is changed by this Document.***

2. ***Section 1.1 is changed by adding the following paragraph:***

3. **Electronic transmission to a securities regulatory authority or regulator –**

National Instrument 13-103 [*System Replacement Rule*] prescribes that each document that is required or permitted to be provided to a securities regulatory authority or regulator must be transmitted to the securities regulatory authority or regulator electronically through the [Renewed System].

The reference to a document includes any report, form, application, information, material and notice, as well as a copy thereof, and applies to documents that are required or permitted to be filed or deposited with, or delivered, furnished, sent, provided, submitted or otherwise transmitted to, a securities regulatory authority or regulator.

To reflect the phased implementation of the [Renewed System], the Appendix of National Instrument 13-103 [*System Replacement Rule*] sets out securities legislation under which documents are excluded from being filed or delivered in the [Renewed System].

Reference to National Instrument 13-103 [*System Replacement Rule*] should be made when providing any document to a securities regulatory authority or regulator under the Instrument and this policy..

3. ***In the following provisions “SEDAR group profile number” is replaced with “[Renewed System] profile number”:***

(a) ***Subsection 4.4(1);***

(b) ***Subsection 5.3(5);***

(c) ***Subsection 6.2(3).***

4. These changes become effective on •.

ANNEX E

ONTARIO LOCAL MATTERS

Introduction

This Annex to the accompanying CSA Notice and Request for Comments (the **CSA Notice**) sets out matters required to be addressed by the *Securities Act* (Ontario) (the **OSA**). The Ontario Securities Commission (the **Commission**) is publishing this Annex to supplement the CSA Notice.

Amendments to Existing Local Rules and Policies

In Ontario, we are proposing consequential amendments to local rules under the OSA as set out in Schedule 1 to this Annex and consequential changes to local policies under the OSA as set out in Schedule 2 to this Annex (the **Local Amendments**). The Local Amendments are intended to update the existing rules and policies with references to the Renewed System and remove references to existing CSA systems. For example, references to SEDAR are replaced with references to the Renewed System, where appropriate, and OSC Rule 11-501 *Electronic Delivery of Documents to the Ontario Securities Commission* will be amended to remove reference to documents required or permitted to be transmitted through the Renewed System.

Anticipated Costs and Benefits

Please see the CSA Notice for a discussion of the anticipated costs and benefits of the Phase 1 Amendments. The Local Amendments are not expected to have any additional costs or benefits as they are consequential amendments and changes.

Reference to Proposed Amendment to Regulation 1015 under the OSA

Pursuant to subsection 143(3) and paragraph 8 of subsection 143.2(2) of the OSA, we are also proposing an amendment to section 161 of Regulation 1015 under the OSA to replace the section's reference to NI 13-101 with a reference to NI 13-103.

Impact on Investors

The Phase 1 Amendments primarily involve replacing legacy systems that relate to and are used by issuers (e.g., SEDAR). Therefore, investors will access issuers' public filings through the Renewed System instead of the legacy systems, including continuous disclosure documents filed by reporting issuers, reports of exempt distribution, cease trade orders, etc. As discussed in the CSA Notice, the Renewed System will be a modernized, more secure and centralized system with improved search capabilities.

Unpublished Materials

In proposing the Local Amendments, we have not relied on any significant unpublished study, report or other written materials.

Authority for the Phase 1 Amendments and the Local Amendments

The Phase 1 Amendments described in the CSA Notice and the Local Amendments will be made under subsection 143(1) of the OSA:

- Paragraph 39 of that subsection provides the Commission with authority in connection with the "media, format, preparation, form content, execution, certification, dissemination and other use, filing and review" of documents required under or governed by the OSA, the regulations or the rules and all applications to the Commission under the *Business Corporations Act*.
- Paragraph 44 of that subsection provides the Commission with authority to vary the OSA to permit or require the use of an electronic or computer-based system for the filing, delivery or deposit of specified documents.
- Paragraph 45 of that subsection provides the Commission with authority to establish requirements for and procedures in respect of the use of an electronic or computer-based system for the filing, delivery or deposit of documents or information.
- Paragraph 46 of that subsection provides the Commission with authority to provide for electronic signatures for the signing of documents and prescribing the circumstances in which persons or companies shall be deemed to have signed or certified documents on an electronic or computer-based system for any purpose of the OSA, the regulations or the rules.

- Paragraph 49 of that subsection provides the Commission with authority to permit or require, including through variations to the OSA, methods of filing or delivery by specified persons of specified material required under or governed by Ontario securities law.

SCHEDULE 1 TO ANNEX E

PROPOSED AMENDMENTS TO EXISTING LOCAL RULES

**PROPOSED AMENDMENTS TO
ONTARIO SECURITIES COMMISSION RULE 11-501
ELECTRONIC DELIVERY OF DOCUMENTS TO THE ONTARIO SECURITIES COMMISSION**

1. *Ontario Securities Commission Rule 11-501 Electronic Delivery of Documents to the Ontario Securities Commission is amended by this Instrument.*
2. *Subsection 1(1) is amended by:*
 - (a) *deleting the definition of “SEDAR”, and*
 - (b) *adding the following definition:*

“[Renewed System]” has the same meaning as in National Instrument 13-103 [System Replacement Rule];.
3. *Paragraph 2(2)(a) is amended by replacing “SEDAR” with “[Renewed System]”.*
4. *The Table in Appendix A is amended:*

- (a) *by replacing the first two rows under the heading row with the following:*

<i>Securities Act, s. 1(10)</i>	Applications to the Commission under clause 1(10) of the <i>Securities Act</i> , except applications filed by an issuer
<i>Securities Act, s. 1(11)</i>	Applications to the Commission under clause 1(11) of the <i>Securities Act</i> , except applications filed by an issuer

and

- (b) *by deleting the following rows:*

<i>Securities Act, s. 75(3) 51-102, s. 7.1(2), 81-106, s. 11.2(4)</i>	Confidential material change reports permitted to be filed under subsection 75(3) of the <i>Securities Act</i> , subsection 7.1(2) of National Instrument 51-102 <i>Continuous Disclosure Obligations</i> , or subsection 11.2(2) of NI 81-106 <i>Investment Fund Continuous Disclosure</i>
<i>Securities Act, s. 75(4) 51-102, s. 7.1(5), 81-106, s. 11.2(4)</i>	The notification required under subsection 75(4) of the <i>Securities Act</i> , subsection 7.1(5) of National Instrument 51-102 <i>Continuous Disclosure Obligations</i> , or subsection 11.2(2) of NI 81-106 <i>Investment Fund Continuous Disclosure</i>
<i>Securities Act, Part XXIII.1</i>	Notices and other documents to be sent to the Commission under Part XXIII.1 of the <i>Securities Act</i>
11-202	Pre-filings or waiver applications within the meaning of National Policy 11-202 <i>Process for Prospectus Reviews in Multiple Jurisdictions</i>
12-202	Applications to vary or revoke a CTO as defined in National Policy 12-202 <i>Revocation of a Compliance-related Cease Trade Order</i>
13-101 s. 2.1	Documents to be filed with the Commission by issuers not required to comply with National Instrument 13-101 <i>System for Electronic Document Analysis and Retrieval</i> in accordance with section 2.1 of that Instrument
13-101 s. 2.3	Documents to be filed with the Commission in paper format under section 2.3 of National Instrument 13-101 <i>System for Electronic Document Analysis and Retrieval</i>
43-101F1	Form 43-101F1 <i>Technical Report</i>
45-101F	Form 45-101F <i>Information Required in a Rights Offering Circular</i>

45-101 s. 3.1(1)2	A statement of the issuer sent pursuant to paragraph 2 of subsection 3.1(1) of National Instrument 45-101 <i>Rights Offerings</i>
45-101 s. 10.1	Notice and materials sent pursuant to subsection 10.1 of National Instrument 45-101 <i>Rights Offerings</i>
45-106F1	Form 45-106F1 <i>Report of Exempt Distribution</i>
45-106F2	Form 45-106F2 <i>Offering Memorandum for Non-Qualifying Issuers</i> or any amendment to a previously filed Form 45-106F2
45-106F3	Form 45-106F3 <i>Offering Memorandum for Qualifying Issuers</i> or any amendment to a previously filed Form 45-106F3
45-106 s. 2.9(17.1)	Filing of marketing materials pursuant to subsection 2.9(17.1) of National Instrument 45-106 <i>Prospectus Exemptions</i>
45-106F16	Form 45-106F16 <i>Notice of Use of Proceeds</i>
45-106 s. 2.9(17.13)	Delivery of a notice of change in financial year end pursuant to subsection 2.9(17.13) of National Instrument 45-106 <i>Prospectus Exemptions</i>
45-106 s. 2.9(17.5)	Delivery of annual financial statements pursuant to subsection 2.9(17.5) of National Instrument 45-106 <i>Prospectus Exemptions</i>
45-106F15	Form 45-106F15 <i>Rights Offering Circular for Reporting Issuers</i>
45-106 s. 2.1.2	Notice and materials sent pursuant to section 2.1.2 of National Instrument 45-106 <i>Prospectus Exemptions</i>
45-106 s. 2.42(2)(a)	Notice to the Commission pursuant to paragraph 2.42(2)(a) of National Instrument 45-106 <i>Prospectus Exemptions</i>
45-106 s. 4.1(4)	Letters filed with the Commission pursuant to subsection 4.1(4) of National Instrument 45-106 <i>Prospectus Exemptions</i>
45-108 s. 12(1)(a)	A term sheet made available to a purchaser pursuant to clause 12(1)(a) of Multilateral Instrument 45-108 <i>Crowdfunding</i>
45-108 s. 12(1)(c)	Materials summarizing the information in a crowdfunding offering document made available to a purchaser pursuant to clause 12(1)(c) of Multilateral Instrument 45-108 <i>Crowdfunding</i>
45-108F1	Form 45-108F1 <i>Crowdfunding Offering Document</i>
45-501 s. 5.4	Delivery of an offering memorandum or any amendment to a previously delivered offering memorandum in accordance with section 5.4 of OSC Rule 45-501 <i>Ontario Prospectus and Registration Exemptions</i>
71-101F1	Form 71-101F1 <i>Forms of Submission to Jurisdiction and Appointment of Agent for Service of Process</i>
72-503F	Form 72-503F <i>Report of Distributions Outside Canada</i>
81-102 s. 5.8(3)	Notice to the Commission by a manager under subsection 5.8(3) of National Instrument 81-102 <i>Mutual Funds</i>
81-102 s. 6.7(3)	Delivery of custodian compliance reports under subsection 6.7(3) of National Instrument 81-102 <i>Mutual Funds</i>
81-102 s. 12.1(2), 12.1(3)	Compliance reports under subsection 12.1(2) or 12.1(3) of National Instrument 81-102 <i>Mutual Funds</i>
81-106 s. 2.11(c)	Notice to the Commission that a mutual fund is relying on the exemption not to file its financial statements in section 2.11 of National Instrument 81-106 <i>Investment Fund Continuous Disclosure</i>

5. This Instrument comes into force on ●.

SCHEDULE 2 TO ANNEX E

PROPOSED CHANGES TO EXISTING LOCAL POLICIES

**PROPOSED CHANGES TO
ONTARIO SECURITIES COMMISSION POLICY 12-602
*DESIGNATING A REPORTING ISSUER IN CERTAIN OTHER CANADIAN JURISDICTIONS
TO BE A REPORTING ISSUER IN ONTARIO***

1. *Ontario Securities Commission Policy 12-602 Designating a Reporting Issuer in Certain Other Canadian Jurisdictions to be a Reporting Issuer in Ontario is changed by this Document.*

2. *Part 5 is replaced with the following:*

PART 5 – [RENEWED SYSTEM]

5.1 Immediately upon receipt of a Designation Order, the issuer will be expected to amend its [Renewed System] profile to indicate that it is a reporting issuer in Ontario..

3. This change becomes effective on ●.

**PROPOSED CHANGES TO
ONTARIO SECURITIES COMMISSION POLICY 51-601 *REPORTING ISSUER DEFAULTS***

1. ***Ontario Securities Commission Policy 51-601 Reporting Issuer Defaults is changed by this Document.***
2. ***Subsection 3.4(2) is replaced with the following:***
 - (2) National Instrument 13-103 [*System Replacement Rule*] (NI 13-103) provides that a document filed through the [Renewed System] is filed on the day that the transmission of the document is completed. A temporary hardship exemption is available under 13-103 to an issuer that encounters unanticipated technical difficulties when attempting to file through the [Renewed System].
3. ***Subsection 3.4(3) is amended by replacing “SEDAR” with “[Renewed System]”.***
4. These changes become effective on •.

**PROPOSED CHANGES TO
COMPANION POLICY 72-503 *DISTRIBUTIONS OUTSIDE CANADA***

1. ***Companion Policy 72-503 Distributions Outside Canada is changed by this Document.***
2. ***The first paragraph in Part 4 is replaced with the following:***

Issuers are required to file the information required by Form 72-503F *Report of Distributions Outside Canada* (the **Form**) electronically through the [Renewed System]. Please see National Instrument 13-103 [*System Replacement Rule*] and its companion policy for further information..

3. This change becomes effective on ●.

6.1.2 Proposed Repeal and Replacement of Multilateral Instrument 13-102 System Fees for SEDAR and NRD



Canadian Securities
Administrators

Autorités canadiennes
en valeurs mobilières

CSA Notice and Request for Comment

Proposed Repeal and Replacement of Multilateral Instrument 13-102 *System Fees for SEDAR and NRD*

May 2, 2019

Introduction

The Canadian Securities Administrators (the **CSA** or **we**) are publishing for a 90-day comment period proposed amendments (**Proposed Amendments**) to Multilateral Instrument 13-102 *System Fees for SEDAR and NRD* (**MI 13-102**).¹ This notice should be read together with the CSA notice relating to proposed National Instrument 13-103 *System Replacement Rule* (**Proposed NI 13-103**), which is also being published today.

The CSA is renewing its national records filing systems. A new system (the **Renewed System**) would replace:

- existing CSA national systems (**Existing CSA Systems**) including the System for Electronic Document Analysis and Retrieval (**SEDAR**), the System for Electronic Disclosure by Insiders (**SEDI**) and the National Registration Database (**NRD**), and
- various local records filing systems.

In connection with the development of the Renewed System, the CSA has reviewed system fees for specified filings made by market participants. As a result of this review, the CSA proposes to revise MI 13-102, primarily to change the structure of the system fees provided by MI 13-102. Under the Proposed Amendments,

- system fees would continue to be established on a cost-recovery basis, and
- the total system fees collected by the CSA are projected to decline.

We note that system fees are separate from any regulatory fees users must pay in any province or territory.

The Proposed Amendments are structured as a repeal and replacement (**Proposed MI 13-102**) of MI 13-102 and are contained in Annex A of this notice. Annex B contains local information, where applicable.

This notice is available on the websites of CSA jurisdictions, including:

www.lautorite.qc.ca
www.albertasecurities.com
www.bcsc.bc.ca
nssc.novascotia.ca
www.fcnb.ca
www.osc.gov.on.ca
www.fcaa.gov.sk.ca
www.mbsecurities.ca

Background

In 2013, MI 13-102 was adopted to replace the filing service charge schedules under the SEDAR Filer Manual and the NRD User Guide. Adopting MI 13-102 reduced some fee rates to reflect cost saving opportunities based on filing patterns but retained the fee structure. The fee structure has remained unchanged since the fee models were implemented in 1997 for SEDAR and in 2003 for NRD.

¹ While the Manitoba Securities Commission is not a participant in MI 13-102, it is a participant in the system fee regime as a result of Regulation 158/2013 under *The Securities Act* (Manitoba). It is anticipated that the Proposed Amendments would be reflected in corresponding changes to Regulation 158/2013.

The Renewed System is intended to

- accept most securities law filings and documents,
- be secure and easy to use, and
- be more cost-effective to operate and change.

This Renewed System is projected to be delivered in phases starting in early 2021. The first phase (**Phase 1**) will replace SEDAR, the Cease-Trade Order (CTO) Database, the Disciplined List and certain filings in the British Columbia Securities Commission eServices system and the Ontario Securities Commission Electronic Filing Portal.

Requirements applicable to insiders (SEDI), registrants (NRD), regulated entities such as exchanges and self-regulatory organizations, and derivatives market participants will be addressed in future phases.

Purpose

In conjunction with the systems renewal, the CSA is proposing to revise system fees to align them to projected national systems operating costs and to provide for future developments and enhancements. The changes are designed to

- reduce annual system fee revenue by \$1.7 million,
- minimize fee changes, especially for smaller filers,
- simplify the fee design by adopting flat fees and eliminating some fees, and
- add new fees for significant new services.

Subject to a transitional measure relating to international dealers and advisers in section 7 of Proposed MI 13-102, the Proposed Amendments are expected to come into force with Phase 1.

Substance of the Proposed Amendments

The Proposed Amendments would replace principal and non-principal regulator fees with flat fees per filing type (**flat fee design**) paid only to a filer's principal regulator. This change substantially simplifies the system fee regime. Further, system fees for certain filing types would be removed, while some new fees for filing types would be introduced, as described below. System fees will rise in some cases (or be newly created) and fall in other cases, based primarily on filing behaviour and volume of use. Total system fees collected by the CSA are projected to decline by approximately \$1.7 million (7%).

Summary of Proposed MI 13-102

(i) Flat fee design

Currently, the majority of system fees are based on the number of jurisdictions with which market participants file. The Proposed Amendments would instead reflect a flat fee design. This flat fee design would better align system fees that users must pay with the CSA's anticipated costs to operate the Renewed System, based on market participants' expected system usage. A flat fee design offers significantly improved administrative simplicity for both market participants and the CSA.

(ii) Eliminating certain system fees

We are proposing to eliminate system fees associated with certain filing types, which reduces costs and simplifies the system fees levied in some areas. The filing types and their related fees that we propose to remove from MI 13-102 are as follows:

- Prospectus – Distribution outside Quebec;
- Registration of an individual in an additional jurisdiction;
- Related Party Transaction Filings;
- Going Private Transaction Filings.

SEDAR users currently pay a one-time charge for creating a profile in SEDAR. We are proposing not to have any charge for creating a profile in the Renewed System.

(iii) Harmonizing system fees for similar filings and introducing system fees for new filing types

Under Item 2 of Appendix A of Proposed MI 13-102, international dealers and advisers would pay a new system fee for filing a notice of reliance on the international dealer or adviser registration exemption in National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations (NI 31-103)*. However, international dealers and advisers will not be required to file this document using the Renewed System until a future phase. Subsection 7(2) provides for a transition so that international dealers and advisers pay the system fee starting at that time. This document is not currently subject to a system fee.

Items 13 and 14 of Appendix A of Proposed MI 13-102 also would provide new system fees for a “pre-filing” or “application” transmitted through the Renewed System. “Pre-filing” and “application” are defined broadly at the beginning of Appendix A. Both definitions include applications for exemptions, but do not cover filer profiles. However, a system fee under Item 14 is nil if it relates to a pre-filing for which a system fee has already been paid under Item 13.

Requiring a system fee for all applications aligns with the existing requirement to pay a system fee for applications for exemptions sought in connection with a prospectus filing or exemptions relating to National Instrument 81-102 *Investment Funds*. This means, for example, that once registrant activities are included in the Renewed System, a registrant that requires an exemption from a registration requirement would file that application for an exemption through the Renewed System and would pay a system fee for filing that application.

Under the Renewed System, all jurisdictions will require reports of exempt distribution (Form 45-106F1 *Report of Exempt Distribution*) to be filed through the Renewed System and filers to pay a system fee. Today, most jurisdictions require that form to be filed on SEDAR and to pay a system fee, while British Columbia and Ontario currently require that form to be filed using local filing systems and do not require a system fee.

The above-noted new filings represent significant new activities to be handled by the Renewed System.

(iv) Transitional provision

While the Proposed Amendments generally would become effective as part of Phase 1, as noted above new system fees for international dealers and advisers filing notices of reliance on an international dealer or adviser registration exemption would not come into effect until after Phase 1.

Since the replacement for NRD will not be part of Phase 1, subsection 7(1) provides that all system fees relating to a registrant requirement that are required to be paid by registrants will continue to be paid through NRD until Proposed NI 13-103 requires filings and renewal through NRD to be made through the Renewed System.

Related Provisions under Proposed NI 13-103 – determination of principal regulator

Under Proposed MI 13-102, system fees are to be paid to a filer’s “principal regulator”, as defined in section 5 of Proposed NI 13-103. Proposed NI 13-103 would clarify how a filer’s principal regulator is determined for the purposes of system fees. The approach taken in Proposed NI 13-103 aligns with the approach taken today in Multilateral Instrument 11-102 *Passport System*.

Anticipated Costs and Benefits

Adopting the Proposed Amendments would support fostering fair and efficient capital markets. Accessing the Renewed System in a fair manner, as with the Existing CSA Systems, is a critical aspect of participation in the markets. Market participants must meet a range of requirements to file or deliver records to comply with Canadian securities laws. The system fees for meeting these requirements should reflect the usage of the system.

In developing the updated system fees, we considered how the updated fees would impact market participants within each market segment. As noted previously, costs to market participants who use the Renewed System would be reduced overall about 7%. CSA projects that system fees will decrease or remain the same for about 45% of market participants. Those market participants that would experience fee increases would do so primarily due to new filings performed in the Renewed System. About 34% of market participants would see increases up to \$100 largely because of the proposed fees for exempt distribution reports. About 20% of market participants would see increases up to \$1,000 largely because of fees for pre-filings and other applications, and because of international dealers or advisers who are filing a notice indicating they are relying on the international dealer or adviser registration exemption in NI 31-103. Only 1% of filers are projected to see increases over \$1,000.

The impact on any one group of market participants because of a flat fee design has also been minimized to the greatest extent possible. For example, a firm that is registering advisers in only one jurisdiction would see its system fee increase, while firms registering advisers in two jurisdictions or more would see their system fees decrease. Similarly, non-investment fund issuers who are reporting issuers in more than one jurisdiction would see their system fees decrease.

Alternatives Considered

No alternatives to rule changes were considered.

Unpublished Materials

The Proposed Amendments do not rely on any significant unpublished study, report, or other material.

Request for Comments

We welcome your comments on all aspects of the Proposed Amendments.

Please submit your comments in writing on or before July 31, 2019. You may provide written comments in hard copy or electronic form. If you are not sending your comments by email, please send a CD containing the submissions (in Microsoft Word format).

Certain CSA regulators require publication of the written comments received during the comment period. Therefore, you should not include personal information directly in comments to be published. It is important that you state on whose behalf you are making the submission.

Please address your submission to all of the CSA as follows:

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

Deliver your comments **only** to the addresses below. Your comments will be distributed to the other participating CSA regulators.

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

Me Anne-Marie Beaudoin
Corporate Secretary
Autorité des marchés financiers
800, rue du Square-Victoria, 4e étage
C.P. 246, Place Victoria
Montréal (Québec) H4Z 1G3
Fax : 514-864-6381
Consultation-en-cours@lautorite.qc.ca

Questions

If you have any comments or questions, please contact any of the CSA staff listed below:

Alberta Securities Commission
Elizabeth Coape-Arnold
Legal Counsel
403-297-2050
Elizabeth.Coape-Arnold@asc.ca

Autorité des marchés financiers
Mathieu Laberge
Legal Counsel
Legal Affairs
514-395-0337 ext.2537
1-877-525-0337 ext. 2537
mathieu.laberge@lautorite.qc.ca

British Columbia Securities Commission
David M. Thompson
General Counsel
604-899-6537
dthompson@bcsc.bc.ca

Noreen Bent
Manager
Corporate Finance Legal Services
604-899-6741
nbent@bcsc.bc.ca

Ontario Securities Commission
Simon Thompson
Senior Legal Counsel
General Counsel's Office
416-593-8261
sthompson@osc.gov.on.ca

ANNEX A

PROPOSED MULTILATERAL INSTRUMENT 13-102 SYSTEM FEES

Definitions

1. (1) In this Instrument,

“annual information form” means an “AIF” as defined by National Instrument 51-102 *Continuous Disclosure Obligations* or an annual information form for the purposes of Part 9 of National Instrument 81-106 *Investment Fund Continuous Disclosure*;

“individual registrant” means an individual who is

- (a) applying for registration,
- (b) applying for registration reinstatement,
- (c) applying for registration reactivation, or
- (d) renewing registration;

“issuer bid” means an issuer bid to which Part 2 of National Instrument 62-104 *Take-Over Bids and Issuer Bids* applies;

“principal regulator” means the principal regulator determined under section 5 of National Instrument 13-103 [*System Replacement Rule*];

“shelf prospectus” means a prospectus filed under National Instrument 44-102 *Shelf Distributions*;

“system fee” means a fee set out in Appendix A or B;

“take-over bid” means a take-over bid to which Part 2 of National Instrument 62-104 *Take-Over Bids and Issuer Bids* applies.

(2) In this Instrument, a term referred to in Column 1 of the following table has the meaning ascribed to it in the Instrument referred to in Column 2 opposite that term:

Column 1 Defined Term	Column 2 Instrument
CPC instrument	National Instrument 45-106 <i>Prospectus Exemptions</i>
document	National Instrument 13-103 [<i>System Replacement Rule</i>]
long form prospectus	National Instrument 41-101 <i>General Prospectus Requirements</i>
preliminary MJDS prospectus	National Instrument 71-101 <i>The Multijurisdictional Disclosure System</i>
[Renewed System]	National Instrument 13-103 [<i>System Replacement Rule</i>]
rights offering circular	Section 2.1 of National Instrument 45-106 <i>Prospectus Exemptions</i>
short form prospectus	National Instrument 41-101 <i>General Prospectus Requirements</i>
sponsoring firm	National Instrument 33-109 <i>Registration Information</i> , in Form 33-109F4 <i>Registration of Individuals and Review of Permitted Individuals</i>

Inconsistency with other instruments

2. If there is any conflict or inconsistency between this Instrument and National Instrument 13-103 [*System Replacement Rule*], this Instrument prevails.

System fees per transmission

3. (1) A person or company described in Column A of Appendix A must pay the corresponding system fee specified in Column C of the Appendix to the person or company's principal regulator, if the person or company transmits a filing of a type described in Column B of the Appendix.
- (2) Subsection (1) does not apply unless the securities regulatory authority in the local jurisdiction is the person or company's principal regulator.

Annual registrant system fee

4. On December 31 of each year, a sponsoring firm must, for each individual registrant of the sponsoring firm, pay the system fee required by Column C of Appendix B to the securities regulatory authority if the securities regulatory authority in the local jurisdiction is the individual registrant's principal regulator on that date.

Means of payment

5. A system fee must be paid through the [Renewed System].

Exemption

6. (1) The regulator or the securities regulatory authority may grant an exemption from this Instrument, in whole or in part, subject to such conditions or restrictions as may be imposed in the exemption.
- (2) Despite subsection (1), in Ontario, only the regulator may grant such an exemption.
- (3) Except in Alberta and Ontario, an exemption referred to in subsection (1) is granted under the statute referred to in Appendix B of National Instrument 14-101 *Definitions*, opposite the name of the local jurisdiction.

Transition

7. (1) Despite section 5, the system fee required to be paid under Item 1 of Appendix A and under Appendix B must be paid through NRD, as defined in National Instrument 31-102 *National Registration Database*, until National Instrument 13-103 [System Replacement Rule] requires that filings in Item 1 of Appendix A and the filing in Appendix B be transmitted through the [Renewed System].
- (2) Despite section 3, the system fee required to be paid under Item 2 of Appendix A is nil until National Instrument 13-103 [System Replacement Rule] requires that filings in Item 2 of Appendix A be transmitted through the [Renewed System].

APPENDIX A

SYSTEM FEES
(Section 3)

In this Appendix,

“application” means a request transmitted through the [Renewed System] for a decision of the regulator or securities regulatory authority but, for greater certainty, does not include a pre-filing;

“pre-filing” means a request to consult with the principal regulator regarding the application of securities legislation or securities directions generally or the application of securities legislation or a direction to a particular transaction or matter or proposed transaction or matter.

Item	Column A Person or company required to file	Column B Filing Type	Column C System Fee
1	Sponsoring firm – in respect of an individual registrant	Application for registration, reinstatement of registration or reactivation of registration	\$86
2	International dealer or international adviser	Annual notice of reliance on exemption from dealer registration requirement or adviser registration requirement	\$350
3	Investment fund that is a reporting issuer	Annual financial statements	\$525
4	Investment fund	Preliminary long form prospectus Preliminary or pro-forma simplified prospectus, annual information form and fund facts when transmitted together as part of a preliminary or pro- forma prospectus filing	\$2,200, which applies in total to a combined filing, if one annual information form and one simplified prospectus are used to qualify the investment fund securities of more than one investment fund for distribution
5	Reporting issuer other than an investment fund	Annual financial statements	\$765
6	Reporting issuer, other than an investment fund, that is not a short form prospectus issuer	Annual information form	\$430
7	Investment fund that is not a short form prospectus issuer	Annual information form if not transmitted together with a preliminary or pro forma simplified prospectus	\$430
8	Reporting issuer that is a short form prospectus issuer	Annual information form	\$2,530
9	Issuer other than an investment fund	Preliminary long form prospectus	\$950
		Preliminary prospectus governed by a CPC instrument	
		Preliminary short form prospectus, preliminary shelf prospectus or preliminary MJDS prospectus	\$1,500
10	All filers	Issuer bid circular or take-over bid circular	\$350
11	Issuer, other than an investment fund	Rights offering circular	\$1,500
12	All filers	Report of exempt distribution	\$40
13	All filers	Pre-filing that is transmitted through the [Renewed System]	\$350

Request for Comments

Item	Column A Person or company required to file	Column B Filing Type	Column C System Fee
14	All filers	Application that is required to be transmitted through the [Renewed System] under National Instrument 13-103 [<i>System Replacement Rule</i>]: (a) if a pre-filing referred to in Item 13 was previously transmitted in respect of the application; and (b) in any other case	\$0 \$350

APPENDIX B

SYSTEM FEES
(Section 4)

Column A Person or company required to file	Column B Filing Type	Column C System Fee
Sponsoring firm – in respect of each individual registrant sponsored by the firm	Annual registration renewal	\$86

ANNEX B

ONTARIO LOCAL MATTERS

1. Introduction

This Annex to the accompanying CSA Notice and Request for Comments (**CSA Notice**) sets out matters relevant to Ontario. The Ontario Securities Commission (**Commission**) is publishing this Annex to supplement the CSA Notice.

2. Authority for the Proposed Amendments

The Proposed Amendments described in the CSA Notice will be made under subsection 143(1) of the *Securities Act* (Ontario):

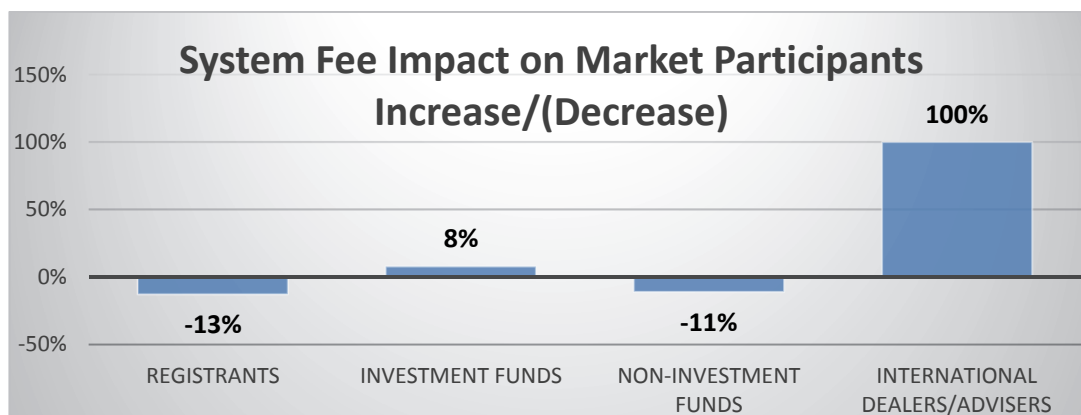
- Paragraph 1 of that subsection provides the Commission with authority to prescribe requirements in respect of registration.
- Paragraph 39 of that subsection provides the Commission with authority in connection the "media, format, preparation, form content, execution, certification, dissemination and other use, filing and review" of documents required under or governed by the Act.
- Paragraph 43 of that subsection provides the Commission with authority to prescribe fees payable to the Commission in connection with the administration of Ontario securities law.
- Paragraph 44 of that subsection provides the Commission with authority to vary the *Securities Act* to permit or require the use of an electronic or computer-based system for the filing, delivery or deposit of specified documents.
- Paragraph 45 of that subsection provides the Commission with authority to establish requirements for and procedures in respect of the use of an electronic or computer-based system for the filing, delivery or deposit of documents or information.
- Paragraph 49 of that subsection provides the Commission with authority to permit or require, including through variations to the Act, methods of filing or delivery by specified persons of specified material required under or governed by Ontario securities law.

3. Impact on Investors

No impacts on investors are anticipated as a result of the Proposed Amendments.

4. Supplementary Information on Cost Benefit Analysis

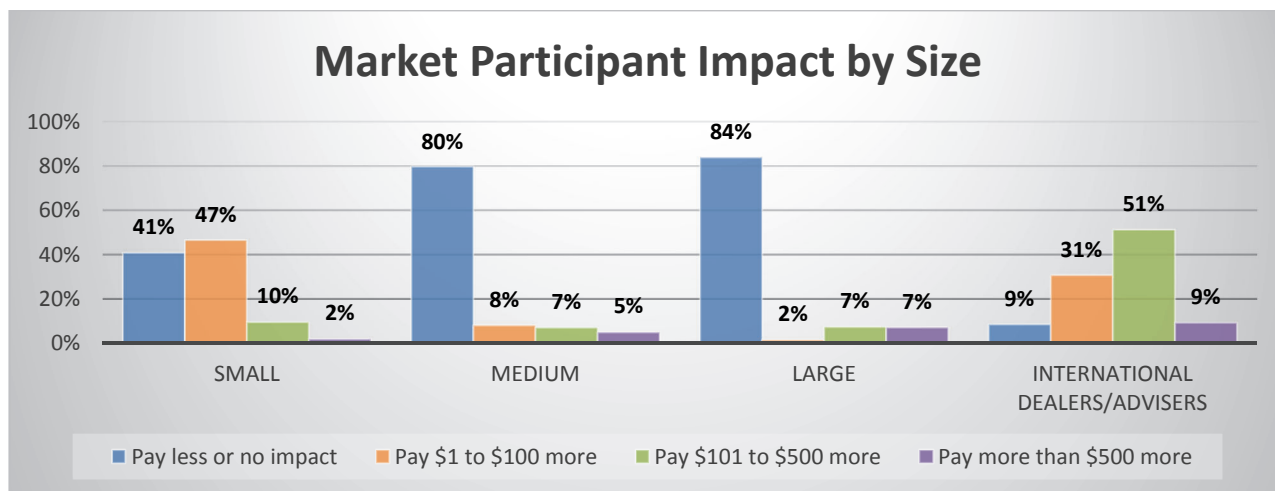
The chart below illustrates the impact on the proposed fees on market participants. While there is a projected 7% reduction in system fees, the impacts per market participant group is projected to result in reductions in system fees for non-investment funds and registrants by 11% and 13%, respectively. Total system fees from international dealers and advisers are expected to increase by 100% while system fees from investment funds are expected to increase by 8%.



International dealers and advisers are expected to utilize the new system to file notices indicating they are relying on the international dealer or adviser registration exemption in NI 31-103. The increase in system fees for international dealers and advisers is due to the new \$350 fee proposed for these filings. In Ontario, a notice of reliance is not required to be filed if the international dealer or adviser satisfies the applicable regulatory filing and fee requirements under OSC Rule 13-502 Fees, so the new system fee may not affect international dealers and advisers operating solely in Ontario.²

Investment funds are expected to experience an increase of approximately 8% in system fees mainly from fees associated with the new \$40 fee proposed for Ontario and British Columbia exempt distribution filings within the new system. These filings are currently filed locally. Fees from annual financial statement filings are expected to increase by 6% while fees from annual information form (NI 81-106) filings are expected to decrease by 5%.

We have also examined the impact of the increases and decreases of systems fees among small³, medium⁴ and large⁵ Canadian market participants and international dealers and advisers. We project that 88% of small and medium sized participants will pay lower system fees or pay only up to \$100 more of system fees. This compares with 86% of the large participants and 40% of international dealers and advisers.



² See subsections 8.18(6) and 8.26(6) of National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations*.

³ For registrants, less than \$1 million revenues and no more than 3 registered individuals. For issuers, less than \$50 million of market capitalization.

⁴ For registrants, \$1 million to \$50 million of revenues and 4 to 100 registered individuals. For issuers, more than \$50 million to \$1 billion of market capitalization.

⁵ For registrants more than \$50 million of revenue and more than 100 registered individuals. For issuers, more than \$1 billion of market capitalization.

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:

Brompton North American Financials Dividend ETF
Principal Regulator – Ontario

Type and Date:

Amendment #1 to Final Long Form Prospectus dated April 29, 2019

Received on April 29, 2019

Offering Price and Description:

–

Underwriter(s) or Distributor(s):

N/A

Promoter(s):

Brompton Funds Limited

Project #2809968

Issuer Name:

Digital Consumer Dividend Fund
Principal Regulator – Alberta (ASC)

Type and Date:

Preliminary Long Form Prospectus dated April 26, 2019

NP 11-202 Preliminary Receipt dated April 26, 2019

Offering Price and Description:

Maximum offering: 15,000,000 Units

Minimum offering: 2,000,000 Units

Price: \$10.00 per Unit

Underwriter(s) or Distributor(s):

CIBC World Markets Inc.

RBC Dominion Securities Inc.

BMO Nesbitt Burns Inc.

Scotia Capital Inc.

TD Securities Inc.

Canaccord Genuity Corp.

Industrial Alliance Securities Inc.

National Bank Financial Inc.

GMP Securities L.P.

Manulife Securities Incorporated

Raymond James Ltd.

Middlefield Capital Corporation

Desjardins Securities Inc.

Mackie Research Capital Corporation

Promoter(s):

Middlefield Limited

Project #2906229

Issuer Name:

Dynamic Power U.S. Balanced Class
Principal Regulator – Ontario

Type and Date:

Amendment #2 to Final Simplified Prospectus dated April 25, 2019

Received on April 25, 2019

Offering Price and Description:

–

Underwriter(s) or Distributor(s):

1832 Asset Management L.P.

GCIC Ltd.

Promoter(s):

1832 Asset Management L.P.

Project #2831337

Issuer Name:

Manulife Strategic Income Fund
Manulife Strategic Investment Grade Global Bond Fund

Manulife U.S. Dollar Strategic Income Fund

Principal Regulator – Ontario

Type and Date:

Amendment #6 to Final Simplified Prospectus dated April 24, 2019

Received on April 24, 2019

Offering Price and Description:

–

Underwriter(s) or Distributor(s):

Manulife Securities Incorporated/Manulife Securities
Investment Services Inc.

Promoter(s):

N/A

Project #2783412

Issuer Name:

CC&L Core Income and Growth Fund
CC&L Equity Income and Growth Fund
CC&L Global Alpha Fund
CC&L High Yield Bond Fund
Principal Regulator – Ontario

Type and Date:

Final Simplified Prospectus dated April 26, 2019
NP 11-202 Receipt dated April 26, 2019

Offering Price and Description:

Series A, Series C, Series F, Series FI and Series I Units
@ net asset value

Underwriter(s) or Distributor(s):

N/A

Promoter(s):

N/A

Project #2887746

Issuer Name:

First Asset 1-5 Year Laddered Government Strip Bond Index ETF
First Asset Active Canadian Dividend ETF
First Asset Active Credit ETF
First Asset Active Utility & Infrastructure ETF
First Asset Canadian Buyback Index ETF
First Asset Canadian Convertible Bond ETF
First Asset Canadian REIT ETF
First Asset CanBanc Income Class ETF
First Asset Can-Materials Covered Call ETF
First Asset Core Canadian Equity ETF
First Asset Core Canadian Equity Income Class ETF
First Asset Core U.S. Equity ETF
First Asset Energy Giants Covered Call ETF
First Asset Enhanced Government Bond ETF
First Asset Enhanced Short Duration Bond ETF
First Asset European Bank ETF
First Asset Global Financial Sector ETF
First Asset Health Care Giants Covered Call ETF
First Asset Investment Grade Bond ETF
First Asset Long Duration Fixed Income ETF
First Asset Morningstar Canada Dividend Target 30 Index ETF
First Asset Morningstar Canada Momentum Index ETF
First Asset Morningstar Canada Value Index ETF
First Asset Morningstar International Momentum Index ETF
First Asset Morningstar International Value Index ETF
First Asset Morningstar National Bank Québec Index ETF
First Asset Morningstar US Dividend Target 50 Index ETF
First Asset Morningstar US Momentum Index ETF
First Asset Morningstar US Value Index ETF
First Asset MSCI Canada Low Risk Weighted ETF
First Asset MSCI Canada Quality Index Class ETF
First Asset MSCI Europe Low Risk Weighted ETF
First Asset MSCI International Low Risk Weighted ETF
First Asset MSCI USA Low Risk Weighted ETF
First Asset MSCI World Low Risk Weighted ETF
First Asset Preferred Share ETF
First Asset Short Term Government Bond Index Class ETF
First Asset Tech Giants Covered Call ETF
First Asset U.S. & Canada Lifeco Income ETF
First Asset U.S. Buyback Index ETF
First Asset U.S. Tactical Sector Allocation Index ETF

First Asset U.S. TrendLeaders Index ETF

Principal Regulator – Ontario

Type and Date:

Final Long Form Prospectus dated April 22, 2019
NP 11-202 Receipt dated April 23, 2019

Offering Price and Description:

ETF Shares, Common Units, Unhedged Common Units

Underwriter(s) or Distributor(s):

N/A

Promoter(s):

N/A

Project #2887249

Issuer Name:

Counsel International Value
Principal Regulator – Ontario

Type and Date:

Amendment #1 to Final Simplified Prospectus dated April 15, 2019

NP 11-202 Receipt dated April 24, 2019

Offering Price and Description:

Series A, F and I securities

Underwriter(s) or Distributor(s):

N/A

Promoter(s):

N/A

Project #2818942

Issuer Name:

Dynamic Power U.S. Balanced Class
Principal Regulator – Ontario

Type and Date:

Amendment #2 to Final Simplified Prospectus dated April 25, 2019

NP 11-202 Receipt dated April 29, 2019

Offering Price and Description:

–

Underwriter(s) or Distributor(s):

1832 Asset Management L.P.
GCIC Ltd.

Promoter(s):

1832 Asset Management L.P.

Project #2831337

Issuer Name:

First Trust AlphaDEX Emerging Market Dividend ETF (CAD-Hedged)
First Trust Canadian Capital Strength ETF
First Trust International Capital Strength ETF
First Trust Senior Loan ETF (CAD-Hedged)
First Trust Short Duration High Yield Bond ETF (CAD-Hedged)
First Trust Value Line® Dividend Index ETF (CAD-Hedged)
previously, First Trust AlphaDEX U.S. Dividend ETF (CAD-Hedged)
Principal Regulator – Ontario

Type and Date:

Final Long Form Prospectus dated April 26, 2019
NP 11-202 Receipt dated April 29, 2019

Offering Price and Description:

units @ net asset value

Underwriter(s) or Distributor(s):

FT Portfolios Canada Co.

Promoter(s):

N/A

Project #2889290

Issuer Name:

Forge First Conservative Alternative Fund
Forge First Long Short Alternative Fund
Principal Regulator – Ontario

Type and Date:

Final Simplified Prospectus dated April 23, 2019
NP 11-202 Receipt dated April 24, 2019

Offering Price and Description:

Series A, Series F and Series I units

Underwriter(s) or Distributor(s):

N/A

Promoter(s):

Forge First Asset Management Inc.

Project #2872574

Issuer Name:

Friedberg Asset Allocation Fund
Principal Regulator – Ontario

Type and Date:

Final Long Form Prospectus dated April 24, 2019
NP 11-202 Receipt dated April 25, 2019

Offering Price and Description:

U.S. Denominated Series Units and Canadian Denominated Series Units @ net asset value

Underwriter(s) or Distributor(s):

Friedberg Mercantile Group Ltd.

Promoter(s):

N/A

Project #2888159

Issuer Name:

Friedberg Global-Macro Hedge Fund
Principal Regulator – Ontario

Type and Date:

Final Long Form Prospectus dated April 24, 2019
NP 11-202 Receipt dated April 25, 2019

Offering Price and Description:

units @ net asset value

Underwriter(s) or Distributor(s):

Friedberg Mercantile Group Ltd.

Promoter(s):

N/A

Project #2888161

Issuer Name:

Gold Miners Split Corp.
Principal Regulator – Ontario

Type and Date:

Final Long Form Prospectus dated April 26, 2019
NP 11-202 Receipt dated April 29, 2019

Offering Price and Description:

Maximum – \$50,000,000

Up to 2,000,000 Preferred Shares and 2,000,000 Class A Shares

\$10.00 per Preferred Share and \$15.00 per Class A Share

Underwriter(s) or Distributor(s):

National Bank Financial Inc.

CIBC World Markets Inc.

BMO Nesbitt Burns Inc.

RBC Dominion Securities Inc.

Scotia Capital Inc.

TD Securities Inc.

Canaccord Genuity Corp.

Industrial Alliance Securities Inc.

Raymond James Ltd.

Echelon Wealth Partners Inc.

GMP Securities L.P.

Desjardins Securities Inc.

Mackie Research Capital Corporation

Manulife Securities Incorporated

Promoter(s):

N/A

Project #2898367

Issuer Name:

Harmony Canadian Equity Pool
Harmony Canadian Fixed Income Pool
Harmony Money Market Pool
Harmony Overseas Equity Pool
Harmony U.S. Equity Pool
Harmony Balanced Growth Portfolio
Harmony Balanced Portfolio
Harmony Conservative Portfolio
Harmony Growth Plus Portfolio
Harmony Growth Portfolio
Harmony Maximum Growth Portfolio
Harmony Yield Portfolio
Principal Regulator – Ontario

Type and Date:

Amendment #1 to Final Simplified Prospectus dated April 17, 2019
NP 11-202 Receipt dated April 24, 2019

Offering Price and Description:

–

Underwriter(s) or Distributor(s):

N/A

Promoter(s):

N/A

Project #2774212

Issuer Name:

Horizons Enhanced Income Energy ETF
Horizons Enhanced Income Equity ETF
Horizons Enhanced Income Financials ETF
Horizons Enhanced Income Gold Producers ETF
Horizons Enhanced Income International Equity ETF
Horizons Enhanced Income US Equity (USD) ETF
Principal Regulator – Ontario

Type and Date:

Final Long Form Prospectus dated April 25, 2019
NP 11-202 Receipt dated April 26, 2019

Offering Price and Description:

Class E Units

Underwriter(s) or Distributor(s):

N/A

Promoter(s):

Horizons ETFs Management (Canada) Inc.
Project #2886588

Issuer Name:

Mackenzie Broad Risk Premia Collection Fund
Mackenzie Enhanced Equity Risk Premia Fund
Mackenzie Enhanced Fixed Income Risk Premia Fund
Mackenzie Global Energy Opportunities Long/Short Fund
Mackenzie Multi-Strategy Absolute Return Fund
Principal Regulator – Ontario

Type and Date:

Final Simplified Prospectus dated April 26, 2019
NP 11-202 Receipt dated April 29, 2019

Offering Price and Description:

Series A, F, FB, O, PW, PWFB and PWX

Underwriter(s) or Distributor(s):

N/A

Promoter(s):

Mackenzie Financial Corporation
Project #2883862

Issuer Name:

Purpose US Preferred Share Fund
Principal Regulator – Ontario

Type and Date:

Amendment #3 to Final Simplified Prospectus dated April 8, 2019
NP 11-202 Receipt dated April 23, 2019

Offering Price and Description:

–

Underwriter(s) or Distributor(s):

N/A

Promoter(s):

Purpose Investments Inc.
Project #2823273

Issuer Name:

RBC 6-10 Year Laddered Canadian Corporate Bond ETF
 RBC BlueBay Global Diversified Income (CAD Hedged) ETF
 RBC Canadian Preferred Share ETF
 RBC PH&N Short Term Canadian Bond ETF
 RBC Quant Canadian Dividend Leaders ETF
 RBC Quant Canadian Equity Leaders ETF
 RBC Quant EAFE Dividend Leaders (CAD Hedged) ETF
 RBC Quant EAFE Dividend Leaders ETF
 RBC Quant EAFE Equity Leaders (CAD Hedged) ETF
 RBC Quant EAFE Equity Leaders ETF
 RBC Quant Emerging Markets Dividend Leaders ETF
 RBC Quant Emerging Markets Equity Leaders ETF
 RBC Quant European Dividend Leaders (CAD Hedged) ETF
 RBC Quant European Dividend Leaders ETF
 RBC Quant Global Infrastructure Leaders ETF
 RBC Quant Global Real Estate Leaders ETF
 RBC Quant U.S. Dividend Leaders (CAD Hedged) ETF
 RBC Quant U.S. Dividend Leaders ETF
 RBC Quant U.S. Equity Leaders (CAD Hedged) ETF
 RBC Quant U.S. Equity Leaders ETF
 RBC Short Term U.S. Corporate Bond ETF
 RBC Strategic Global Dividend Leaders ETF
 RBC Strategic Global Equity Leaders ETF
 Principal Regulator – Ontario

Type and Date:

Final Long Form Prospectus dated April 25, 2019
 NP 11-202 Receipt dated April 26, 2019

Offering Price and Description:

–

Underwriter(s) or Distributor(s):

RBC Global Asset Management Inc.

Promoter(s):

RBC GLOBAL ASSET MANAGEMENT INC.

Project #2885017

Issuer Name:

StoneCastle Cannabis Growth Fund
 Principal Regulator – Ontario

Type and Date:

Final Simplified Prospectus dated April 18, 2019
 NP 11-202 Receipt dated April 23, 2019

Offering Price and Description:

Series A, Series XA, Series D, Series XD, Series F and Series XF Units

Underwriter(s) or Distributor(s):

Spartan Fund Management Inc.

Promoter(s):

Spartan Fund Management Inc.

Project #2884492

Issuer Name:

Sun Life Granite Conservative Portfolio
 Sun Life Granite Moderate Portfolio
 Sun Life Granite Balanced Portfolio
 Sun Life Granite Balanced Growth Portfolio
 Sun Life Granite Growth Portfolio
 Sun Life Granite Income Portfolio
 Sun Life Granite Enhanced Income Portfolio
 Sun Life Sentry Value Fund
 Sun Life Infrastructure Fund
 Sun Life Schroder Global Mid Cap Fund
 Sun Life Dynamic American Fund
 Sun Life Templeton Global Bond Fund
 Sun Life Dynamic Equity Income Fund
 Sun Life Dynamic Strategic Yield Fund
 Sun Life NWQ Flexible Income Fund
 Sun Life BlackRock Canadian Equity Fund
 Sun Life BlackRock Canadian Balanced Fund
 Sun Life MFS Canadian Bond Fund
 Sun Life MFS Canadian Equity Growth Fund
 Sun Life MFS Dividend Income Fund
 Sun Life MFS U.S. Equity Fund
 Sun Life MFS Low Volatility International Equity Fund
 Sun Life MFS Low Volatility Global Equity Fund
 Sun Life Franklin Bissett Canadian Equity Class
 Sun Life Invesco Canadian Class
 Principal Regulator – Ontario

Type and Date:

Amendment #1 to Final Annual Information Form dated April 16, 2019

NP 11-202 Receipt dated April 24, 2019

Offering Price and Description:

Series A, T5, T8, F, F5, F8, I, O securities

Underwriter(s) or Distributor(s):

N/A

Promoter(s):

N/A

Project #2858300

Issuer Name

Fidelity – IG Canadian Equity Pool
 Principal Regulator – Manitoba

Type and Date

Preliminary Simplified Prospectus dated Apr 22, 2019
 NP 11-202 Preliminary Receipt dated Apr 25, 2019

Securities Description:

Series P Mutual Fund Units

Project #02903876

Issuer Name

IG PIMCO Global Bond Fund
 Principal Regulator – Manitoba

Type and Date

Preliminary Simplified Prospectus, Annual Information Form and Fund Facts (NI 81-101) dated Apr 22, 2019
 NP 11-202 Preliminary Receipt dated Apr 25, 2019

Securities Description:

Series U Units

Project #02903866

Issuer Name

CI First Asset High Interest Savings ETF

Principal Regulator – Ontario

Type and Date

Preliminary Long Form Prospectus dated Apr 24, 2019

NP 11-202 Preliminary Receipt dated Apr 25, 2019

Securities Description:

Units

Project #02905138

Issuer Name

Maple Leaf Income Class

Maple Leaf Resource Class

Principal Regulator – British Columbia

Type and Date

Preliminary Simplified Prospectus, Annual Information

Form and Fund Facts (NI 81-101) dated Apr 25, 2019

NP 11-202 Preliminary Receipt dated Apr 25, 2019

Securities Description:

Series A shares

Project #02905571

Issuer Name

RP Alternative Global Bond Fund

Principal Regulator – Ontario

Type and Date

Preliminary Simplified Prospectus, Annual Information

Form and Fund Facts (NI 81-101) dated Apr 24, 2019

NP 11-202 Preliminary Receipt dated Apr 25, 2019

Securities Description:

Class F Units

Class A Units

Class M Units

Class A-USD Units

Class M-USD Units

Class F-USD Units

Class O Units

Class O-USD Units

Project #02905151

Issuer Name

Franklin Liberty Core Bond Plus ETF

Franklin Liberty Short Duration Bond ETF

Principal Regulator – Ontario

Type and Date

Preliminary Long Form Prospectus dated Apr 26, 2019

NP 11-202 Preliminary Receipt dated Apr 26, 2019

Securities Description:

Units

Project #02906275

NON-INVESTMENT FUNDS

Issuer Name:

A.G.R.E.Electrical Power Corporation
Principal Regulator – British Columbia

Type and Date:

Preliminary Long Form Prospectus dated April 16, 2019
NP 11-202 Preliminary Receipt dated April 23, 2019

Offering Price and Description:

469,944 Common Shares for no additional cost upon the exercise or deemed exercise of 469,944 Special Warrants

Underwriter(s) or Distributor(s):

–

Promoter(s):

Arthur James Bentley

Project #2903479

Issuer Name:

Converge Technology Solutions Corp.
Principal Regulator – Ontario

Type and Date:

Preliminary Shelf Prospectus dated April 25, 2019
NP 11-202 Preliminary Receipt dated April 25, 2019

Offering Price and Description:

\$500,000,000.00 – Common Shares, Debt Securities, Subscription Receipts, Warrants, Units

Underwriter(s) or Distributor(s):

–

Promoter(s):

–

Project #2903376

Issuer Name:

Cresco Labs Inc.
Principal Regulator – British Columbia

Type and Date:

Preliminary Shelf Prospectus dated April 25, 2019
NP 11-202 Preliminary Receipt dated April 26, 2019

Offering Price and Description:

\$500,000,000.00 – Subordinate Voting Shares, Debt Securities, Subscription Receipt, Warrants, Units

Underwriter(s) or Distributor(s):

–

Promoter(s):

–

Project #2905866

Issuer Name:

Granite Real Estate Investment Trust
Granite REIT Inc.
Principal Regulator – Ontario

Type and Date:

Short Form Prospectus dated April 24, 2019
NP 11-202 Receipt dated April 24, 2019

Offering Price and Description:

\$200,490,000.00 – 3,260,000 Stapled Units; Price: \$61.50 per Stapled Unit

Underwriter(s) or Distributor(s):

BMO NESBITT BURNS INC.
TD SECURITIES INC.
CIBC WORLD MARKETS INC.
RBC DOMINION SECURITIES INC.
SCOTIA CAPITAL INC.
CANACCORD GENUITY CORP.
DESJARDINS SECURITIES INC.
ECHELON WEALTH PARTNERS INC.
GOLDMAN SACHS CANADA INC.
NATIONAL BANK FINANCIAL INC.
RAYMOND JAMES LTD.

Promoter(s):

–

Project #2901227

Issuer Name:

QYOU Media Inc.
Principal Regulator – Ontario

Type and Date:

Final Short Form Prospectus dated April 23, 2019
NP 11-202 Receipt dated April 24, 2019

Offering Price and Description:

Minimum: \$1,900,050.00 (31,667,500 Units)
Maximum: \$2,000,100.00 (33,335,000 Units)
\$0.06 per Unit

Underwriter(s) or Distributor(s):

CLARUS SECURITIES INC.

Promoter(s):

–

Project #2900080

Issuer Name:

Surge Energy Inc.
Principal Regulator – Alberta

Type and Date:

Preliminary Short Form Prospectus dated April 24, 2019
NP 11-202 Preliminary Receipt dated April 24, 2019

Offering Price and Description:

\$30,000,000.00 – 6.75% Series 2 Convertible Unsecured
Subordinated Debentures
Due June 30, 2024

Underwriter(s) or Distributor(s):

NATIONAL BANK FINANCIAL INC.
BMO NESBITT BURNS INC.
SCOTIA CAPITAL INC.
TD SECURITIES INC.
CORMARK SECURITIES INC.
CIBC WORLD MARKETS INC.
GMP SECURITIES L.P.
MACQUARIE CAPITAL MARKETS CANADA LTD.
CANACCORD GENUITY CORP.
PETERS & CO. LIMITED
RAYMOND JAMES LTD.
LAURENTIAN BANK SECURITIES INC.

Promoter(s):

–

Project #2904946

Issuer Name:

Theralase Technologies Inc.
Principal Regulator – Ontario

Type and Date:

Preliminary Shelf Prospectus dated April 26, 2019
NP 11-202 Preliminary Receipt dated April 29, 2019

Offering Price and Description:

\$100,000,000.00
Common Shares
Warrants
Units
Subscription Receipts

Underwriter(s) or Distributor(s):

–

Promoter(s):

–

Project #2906418

Issuer Name:

Troilus Gold Corp. (formerly Pitchblack Resources Ltd.)
Principal Regulator – Ontario

Type and Date:

Final Short Form Prospectus dated April 26, 2019
NP 11-202 Receipt dated April 26, 2019

Offering Price and Description:

\$7,000,600.00 – 8,236,000 Common Shares; Price: \$0.85
per Offered Share

Underwriter(s) or Distributor(s):

CANACCORD GENUITY CORP.
GMP SECURITIES L.P.
CORMARK SECURITIES INC.
DESJARDINS SECURITIES INC.
HAYWOOD SECURITIES INC.
NATIONAL BANK FINANCIAL INC.
PI FINANCIAL CORP.

Promoter(s):

–

Project #2900894

Chapter 12

Registrations

12.1.1 Registrants

Type	Company	Category of Registration	Effective Date
New Registration	Highness Global Capital Inc.	Exempt Market Dealer	April 26, 2019
Change in Registration Category	Allard, Allard & Associés Inc.	From: Portfolio Manager To: Investment Fund Manager, Portfolio Manager	April 29, 2019
New Registration	St Global Asset Management Inc.	Portfolio Manager & Commodity Trading Manager	April 26, 2019
New Registration	Forthlane Partners Inc.	Portfolio Manager, Investment Fund Manager and Exempt Market Dealer	April 29, 2019

This page intentionally left blank

Chapter 25

Other Information

25.1 Consents

25.1.1 Canaccord Genuity Growth Corp. – s. 4(b) of Ont. Reg. 289/00 under the OBCA

Headnote

Consent given to an offering corporation under the Business Corporations Act (Ontario) to continue under the Business Corporations Act (British Columbia).

Statutes Cited

Business Corporations Act, R.S.O. 1990, c. B.16, as am., s. 181.
Securities Act, R.S.O. 1990, c. S.5, as am.

Regulations Cited

Regulation made under the Business Corporations Act, Ont. Reg. 289/00, as am., s. 4(b).

**IN THE MATTER OF
R.R.O. 1990, REGULATION 289/00, AS AMENDED
(the REGULATION) UNDER
THE BUSINESS CORPORATIONS ACT (ONTARIO),
R.S.O. 1990 c. B.16, AS AMENDED
(the OBCA)**

AND

**IN THE MATTER OF
CANACCORD GENUITY GROWTH CORP.**

**CONSENT
(Subsection 4(b) of the Regulation)**

UPON the application (the “**Application**”) of Canaccord Genuity Growth Corp. (the “**Applicant**”) to the Ontario Securities Commission (the “**Commission**”) requesting the Commission’s consent to the Applicant continuing in another jurisdiction pursuant to section 181 of the OBCA (the “**Continuance**”);

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

AND UPON the Applicant having represented to the Commission that:

1. The Applicant is an offering corporation under the OBCA.
2. The Applicant is a special purpose acquisition corporation, the authorized share capital of which consists of: (a) an unlimited number of Class A restricted voting shares (the “**Class A Restricted Voting Shares**”); (b) an unlimited number of Class B shares (the “**Class B Shares**”); and (c) an unlimited number of common shares (the “**Common Shares**”). On September 20, 2018, the Applicant completed an initial public offering of class A restricted voting units (each consisting of one Class A Restricted Voting Share and one warrant) (the “**Class A Restricted Voting Units**”). The Applicant also issued Class B Shares and class B units (each consisting of one Class B Share and one warrant) (“**Class B Units**”) to its founders. The Class A Restricted Voting Units are listed and posted for trading on the NEO Exchange Inc. (the “**NEO**”) under the symbol “CGGC.UN”. The Class B Shares and the Class B Units are not listed on the NEO or any other marketplace. As at April 22, 2019, the Applicant had: (a) 15,352,500 issued and outstanding Class A Restricted Voting Units; (b) 4,879,791 issued and outstanding Class B Shares; (c) 833,333 issued and outstanding Class B Units; and (d) no issued and outstanding Common Shares.

3. The Applicant intends to apply to the Director pursuant to section 181 of the OBCA (the “**Application for Continuance**”) for authorization to continue as a corporation under the *Business Corporations Act* (British Columbia) S.B.C. 2002, c. 57 (the “**BCBCA**”).
4. The Application for Continuance is being made in connection with a business combination involving the Applicant and Columbia Care LLC pursuant to a transaction agreement dated November 21, 2018, as amended (the “**Transaction**”). The Continuance is being proposed by the Applicant as it believes that the BCBCA provides additional flexibility compared to the OBCA, including with respect to the composition of the Applicant’s board of directors going forward.
5. The material rights, duties and obligations of a corporation governed by the BCBCA are substantially similar to those of a corporation governed by the OBCA. The principal differences were highlighted for shareholders in the management information circular dated March 21, 2019 (the “**Information Circular**”) sent to shareholders in connection with the Applicant’s special meeting of shareholders held on April 22, 2019 (the “**Meeting**”).
6. The Applicant is a reporting issuer under the: (a) *Securities Act*, R.S.O. 1990, c. S.5, as amended (the “**Act**”); and (b) the securities legislation in all of the other provinces and territories of Canada (other than Québec) (collectively, the “**Legislation**”). The Applicant will remain a reporting issuer in these jurisdictions following the Continuance.
7. The Applicant is not in default of any of the provisions of the OBCA, the Act, or the Legislation.
8. The Applicant is not in default of any of the rules, regulations or policies of the NEO.
9. The Applicant is not subject to any proceeding under the OBCA, the Act or the Legislation.
10. The Commission is the principal regulator of the Applicant. Following the completion of the Transaction, the Applicant’s head office is expected to be located at 745 Fifth Ave. Suite 1701, New York, NY, 10151 and the Commission will continue to be the Applicant’s principal regulator.
11. The Information Circular described the proposed Continuance and disclosed the reasons for it and its implications. The Information Circular also disclosed full particulars of the dissent rights of the Applicant’s shareholders under section 185 of the OBCA.
12. The Applicant’s shareholders authorized the Continuance at the Meeting by a special resolution that was approved by 91.73% of the votes cast. No shareholder exercised dissent rights pursuant to section 185 of the OBCA.
13. On March 7, 2019, the Minister of Finance of Ontario granted its consent for the Applicant to continue out of Ontario.
14. Subsection 4(b) of the Regulation requires the Application for Continuance to be accompanied by a consent from the Commission.

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

THE COMMISSION CONSENTS to the Continuance of the Applicant under the BCBCA.

DATED at Toronto, Ontario this 23rd day of April 2019.

“Lawrence P. Haber”
Commissioner
Ontario Securities Commission

“Poonam Puri”
Commissioner
Ontario Securities Commission

Index

3iQ Corp.		Companion Policy 44-103CP Post-Receipt Pricing	
Notice from the Office of the Secretary	3996	Request for Comments.....	4045
Order – s. 8	4036		
Allard, Allard & Associés Inc.		Companion Policy 45-102CP Resale of Securities	
Change in Registration Category	4203	Request for Comments.....	4045
Ashraf, Talat		Companion Policy 45-106CP Prospectus Exemptions	
Notice from the Office of the Secretary	3994	Request for Comments.....	4045
Order – s. 17	4033		
Reasons and Decision – s. 17	4039	Companion Policy 45-108CP Crowdfunding	
		Request for Comments.....	4045
Bitcoin Fund (The)		Companion Policy 51-101CP Standards of Disclosure for Oil and Gas Activities	
Notice from the Office of the Secretary	3996	Request for Comments.....	4045
Order – s. 8	4036		
Canaccord Genuity Growth Corp.		Companion Policy 51-102CP Continuous Disclosure Obligations	
Consent – s. 4(b) of Ont. Reg. 289/00 under the OBCA.....	4205	Request for Comments.....	4045
Candusso, Christopher		Companion Policy 51-105CP Issuers Quoted in the U.S. Over-the-Counter Markets	
Notice from the Office of the Secretary	3994	Request for Comments.....	4045
Order.....	4034		
Candusso, Claudio		Companion Policy 52-107CP Acceptable Accounting Principles and Auditing Standards	
Notice from the Office of the Secretary	3994	Request for Comments.....	4045
Order.....	4034		
Chickalo, Tawlia		Companion Policy 52-108CP Auditor Oversight	
Notice from the Office of the Secretary	3995	Request for Comments.....	4045
Notice from the Office of the Secretary	3996		
Order.....	4035	Companion Policy 52-109CP Certification of Disclosure in Issuers' Annual and Interim Filings	
Order – s. 127(8).....	4037	Request for Comments.....	4045
Companion Policy 11-102CP Passport System		Companion Policy 54-101CP Communication with Beneficial Owners of Securities of a Reporting Issuer	
Request for Comments	4045	Request for Comments.....	4045
Companion Policy 13-103 [System Replacement Rule] (Proposed)		Companion Policy 61-101CP Protection of Minority Security Holders in Special Transactions	
Request for Comments	4045	Request for Comments.....	4045
Companion Policy 41-101CP General Prospectus Requirements		Companion Policy 71-102CP Continuous Disclosure and Other Exemptions Relating to Foreign Issuers	
Request for Comments	4045	Request for Comments.....	4045
Companion Policy 43-101CP Standards of Disclosure for Mineral Projects		Companion Policy 81-101CP Mutual Fund Prospectus Disclosure	
Request for Comments	4045	Request for Comments.....	4045
Companion Policy 44-101CP Short Form Prospectus Distributions		Companion Policy 81-102CP Investment Funds	
Request for Comments	4045	Request for Comments.....	4045
Companion Policy 44-102CP Shelf Distributions		Companion Policy 81-106CP Investment Fund Continuous Disclosure	
Request for Comments	4045	Request for Comments.....	4045

Dynex Power Inc.		Multilateral Instrument 11-102 Passport System	
Order.....	4033	Request for Comments.....	4045
El-Bouji, Issam		Multilateral Instrument 13-102 System Fees for SEDAR and NRD	
Notice from the Office of the Secretary	3997	Request for Comments.....	4137
Order.....	4037	Multilateral Instrument 45-108 Crowdfunding	
Fakhry, Frank		Request for Comments.....	4045
Notice from the Office of the Secretary	3994	Multilateral Instrument 51-105 Issuers Quoted in the U.S. Over-the-Counter Markets	
Order.....	4034	Request for Comments.....	4045
Fielding, John		Namaste Technologies Inc.	
Notice from the Office of the Secretary	3994	Cease Trading Order.....	4043
Order.....	4034	National Instrument 13-101 System for Electronic Document Analysis and Retrieval	
Forthlane Partners Inc.		Request for Comments.....	4045
New Registration.....	4203	National Instrument 13-103 [System Replacement Rule] (Proposed)	
Goss, Donald Alexander (Sandy)		Request for Comments.....	4045
Notice from the Office of the Secretary	3994	National Instrument 41-101 General Prospectus Requirements	
Order.....	4034	Request for Comments.....	4045
Highness Global Capital Inc.		National Instrument 43-101 Standards of Disclosure for Mineral Projects	
New Registration.....	4203	Request for Comments.....	4045
IPC Investment Corporation		National Instrument 44-101 Short Form Prospectus Distributions	
Decision	4024	Request for Comments.....	4045
Katanga Mining Limited		National Instrument 44-102 Shelf Distributions	
Cease Trading Order	4043	Request for Comments.....	4045
Khan, Muhammad M.		National Instrument 45-102 Resale of Securities	
Notice from the Office of the Secretary	3994	Request for Comments.....	4045
Order – s. 17	4033	National Instrument 45-106 Prospectus Exemptions	
Reasons and Decision – s. 17	4039	Request for Comments.....	4045
Kitmitto, Majd		National Instrument 51-101 Standards of Disclosure for Oil and Gas Activities	
Notice from the Office of the Secretary	3994	Request for Comments.....	4045
Order.....	4034	National Instrument 51-102 Continuous Disclosure Obligations	
Landucci, Rinaldo		Request for Comments.....	4045
Notice from the Office of the Secretary	3995	National Instrument 54-101 Communication with Beneficial Owners of Securities of a Reporting Issuer	
Notice from the Office of the Secretary	3996	Request for Comments.....	4045
Order.....	4035	National Instrument 58-101 Disclosure of Corporate Governance Practices	
Order – s. 127(8).....	4037	Request for Comments.....	4045
Mackenzie Enhanced Fixed Income Risk Premia Fund			
Decision	3999		
Mackenzie Financial Corporation			
Decision	3999		
Decision	4024		
Maxheleau, Elise			
Notice from the Office of the Secretary	3996		
Order – s. 127(8).....	4037		
Maxsood, Daniel			
Notice from the Office of the Secretary	3994		
Order – s. 17	4033		
Reasons and Decision – s. 17	4039		

National Instrument 62-104 Take-Over Bids and Issuer Bids	
Request for Comments	4045
National Instrument 81-101 Mutual Fund Prospectus Disclosure	
Request for Comments	4045
National Instrument 81-106 Investment Fund Continuous Disclosure	
Request for Comments	4045
National Instrument 81-107 Independent Review Committee for Investment Funds	
Request for Comments	4045
National Policy 11-201 Electronic Delivery of Documents	
Request for Comments	4045
National Policy 11-202 Process for Prospectus Reviews in Multiple Jurisdictions	
Request for Comments	4045
National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions	
Request for Comments	4045
National Policy 11-206 Process for Cease the a Reporting Issuer Applications	
Request for Comments	4045
National Policy 11-207 Failure-to-File Cease Trade Orders and Revocations in Multiple Jurisdictions	
Request for Comments	4045
National Policy 12-202 Revocation of Certain Cease Trade Orders	
Request for Comments	4045
National Policy 12-203 Management Cease Trade Orders	
Request for Comments	4045
National Policy 41-201 Income Trusts and Other Indirect Offerings	
Request for Comments	4045
National Policy 46-201 Escrow for Initial Public Offerings	
Request for Comments	4045
National Policy 47-201 Trading Securities Using the Internet and Other Electronic Means	
Request for Comments	4045
National Policy 51-201 Disclosure Standards	
Request for Comments	4045
National Policy 58-201 Corporate Governance Guidelines	
Request for Comments	4045

National Policy 62-203 Take-Over Bids and Issuer Bids	
Request for Comments	4045
Natural Bee Works Apiaries Inc.	
Notice from the Office of the Secretary	3995
Notice from the Office of the Secretary	3996
Order	4035
Order – s. 127(8)	4037
Oanda (Canada) Corporation ULC	
Decision	4017
OSC Staff Notice 11-739 (Revised) – Policy Reformulation Table of Concordance and List of New Instruments	
Notice	3991
Performance Sports Group Ltd.	
Cease Trading Order	4043
Policy Statement Regulation 81-107 Respecting Independent Review Committee for Investment Funds	
Request for Comments	4045
RBC Canadian Bond Index ETF	
Decision	4002
RBC Canadian Equity Index ETF	
Decision	4002
RBC Canadian Short Term Bond Index ETF	
Decision	4002
RBC Global Asset Management Inc.	
Decision	4002
RBC Global Government Bond (CAD Hedged) Index ETF	
Decision	4002
RBC International Equity Index ETF	
Decision	4002
RBC U.S. Equity Index ETF	
Decision	4002
SEDAR Filer Manual	
Request for Comments	4045
St Global Asset Management Inc.	
New Registration	4203
Stans Energy Corp.	
Decision	4030
Sterling Bridge Mortgage Corp.	
Director's Decision (Opportunity to be Heard) – s. 31	
4041	
TD Asset Management Inc.	
Decision	4010

Trilogy Equities Group Limited Partnership

Notice from the Office of the Secretary	3995
Order – s. 127(8).....	4035

Trilogy Mortgage Group Inc.

Notice from the Office of the Secretary	3995
Order – s. 127(8).....	4035

Vannatta, Steven

Notice from the Office of the Secretary	3994
Order.....	4034

Welcome Place Inc.

Notice from the Office of the Secretary	3994
Order – s. 17	4033
Reasons and Decision – s. 17	4039

Zhang, Tao

Notice from the Office of the Secretary	3994
Order – s. 17	4033
Reasons and Decision – s. 17	4039