The Ontario Securities Commission

OSC Bulletin

February 20, 2014

Volume 37, Issue 8

(2014), 37 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

Published under the authority of the Commission by:
Carswell, a Thomson Reuters business
One Corporate Plaza
2075 Kennedy Road
Toronto, Ontario
M1T 3V4

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

Contact Centre - Inquiries, Complaints:
Fax: 416-593-8122
TTY: 1-866-827-1295

Office of the Secretary:
Fax: 416-593-2318

THOMSON REUTERS

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

Subscriptions are available from Carswell at the price of $649 per year.

Subscription prices include first class postage to Canadian addresses. Outside Canada, these airmail postage charges apply on a current subscription:

U.S.	$175
Outside North America	$400

Single issues of the printed Bulletin are available at $20 per copy as long as supplies are available.

Carswell also offers every issue of the Bulletin, from 1994 onwards, fully searchable on S*ecuritiesSource*™, 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 Carswell Customer Relations at 1-800-387-5164 (416-609-3800 Toronto & Outside of Canada).

Claims from *bona fide* subscribers for missing issues will be honoured by Carswell 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.

ISSN 0226-9325

THOMSON REUTERS

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

Customer Relations
Toronto 1-416-609-3800
Elsewhere in Canada/U.S. 1-800-387-5164
Fax 1-416-298-5082
www.carswell.com
Email www.carswell.com/email

Table of Contents

Chapter 1 Notices / News Releases 1793
1.1 Notices 1793
1.1.1 Notice of Correction – Irwin Boock et al. 1793
1.1.2 OSC Staff Notice 13-704 – Applications for Participation Fee Relief for Certain Small Registered Firms and Reporting Issuers 1794
1.1.3 Global Privacy Management Trust and Robert Cranston 1798
1.2 Notices of Hearing ..... (nil)
1.3 News Releases 1799
1.3.1 OSC to Provide Fee Relief for Certain Small Market Participants 1799
1.4 Notices from the Office of the Secretary 1800
1.4.1 Ernst & Young LLP (Audits of Zungui Haixi Corporation) 1800
1.4.2 Global Privacy Management Trust and Robert Cranston 1800
1.4.3 North American Financial Group Inc. et al. 1801
1.4.4 Frederick Lawrence Marlatt, also known as Frederick Lawrence Mitschele and Michael Wallace Minor 1801
1.4.5 Portfolio Capital Inc. et al 1802

Chapter 2 Decisions, Orders and Rulings 1803
2.1 Decisions 1803
2.1.1 Edgefront Realty Corp. – s. 1(10)(a)(ii) 1803
2.1.2 Rockgate Capital Corp. – s. 1(10)(a)(ii) 1804
2.1.3 Plazacorp Retail Properties Ltd. – s. 1(10) 1805
2.1.4 First Uranium Corporation – s. 1(10)(a)(ii) 1806
2.1.5 Schneider Electric S.A. 1807
2.1.6 RBC Capital Trust II – s. 1(10)(a)(ii) 1813
2.2 Orders 1814
2.2.1 Edgefront Realty Corp. 1814
2.2.2 Irwin Boock et al. – s. 127 and 127.1 1815
2.2.3 Ernst & Young LLP (Audits of Zungui Haixi Corporation) – s. 127 and 127.1 1817
2.2.4 Canadian Derivatives Clearing Corporation – Fifth Variation to the Temporary Exemption Order – s. 144 1818
2.2.5 First Uranium Corporation – s. 1(6) of the OBCA 1819
2.2.6 North American Financial Group Inc. et al. – ss. 127)7), 127(8) 1820
2.2.7 Frederick Lawrence Marlatt, also known as Frederick Lawrence Mitschele and Michael Wallace Minor – ss. 127(1), 127(10) 1821
2.2.8 Portfolio Capital Inc. et al 1822
2.2.9 Celestica Inc. – s. 104(2)(c) 1825
2.3 Rulings ..... (nil)

Chapter 3 Reasons: Decisions, Orders and Rulings ..... (nil)
3.1 OSC Decisions, Orders and Rulings ..... (nil)
3.2 Court Decisions, Order and Rulings ..... (nil)

Chapter 4 Cease Trading Orders 1831
4.1.1 Temporary, Permanent & Rescinding Issuer Cease Trading Orders 1831
4.2.1 Temporary, Permanent & Rescinding Management Cease Trading Orders 1831
4.2.2 Outstanding Management & Insider Cease Trading Orders 1831

Chapter 5 Rules and Policies ..... (nil)

Chapter 6 Request for Comments ..... (nil)

Chapter 7 Insider Reporting 1833

Chapter 8 Notice of Exempt Financings 1967
Reports of Trades Submitted on Forms 45-106F1 and 45-501F1 1967

Chapter 9 Legislation ..... (nil)

Chapter 11 IPOs, New Issues and Secondary Financings 1975

Chapter 12 Registrations 1979
12.1.1 Registrants 1979

Chapter 13 SROs, Marketplaces and Clearing Agencies 1981
13.1 SROs 1981
13.1.1. IIROC – Notice of Withdrawal – Amendments Respecting Trading in US OTC Issuers 1981
13.1.2 IIROC – Notice of Withdrawal – Proposed Financial Planning Rule 1982
13.1.3 IIROC – Notice of Withdrawal – Revisions to the Definition of "Securities Related Activities" 1983
13.1.4 IIROC – OSC Staff Notice of Request for Comment – Proposed Plain Language Rule 9600- Compliance Fees 1984
13.2 Marketplaces ..... (nil)
13.3 Clearing Agencies 1985
13.3.1 Canadian Derivatives Clearing Corporation – Notice of Commission Order – Variation to the Temporary Exemption Order – s. 144 1985
13.3.2 OSC Notice and Request for Comment – Canadian Derivatives Clearing Corporation (CDCC) – Application for Recognition as a Clearing Agency 1986

13.3.3 OSC Notice and Request for Comment – LCH.Clearnet LLC – Application for Exemption from Recognition as a Clearing Agency 2038

Chapter 25 Other Information 2049
25.1 Approvals 2049
25.1.1 Higgins Investment Group Inc. – s. 213(3)(b) of the LTCA 2049

Index 2051

Chapter 1

Notices / News Releases

1.1 Notices

1.1.1 Notice of Correction – Irwin Boock et al.

NOTICE OF CORRECTION

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

AND

IN THE MATTER OF
IRWIN BOOCK, STANTON DEFREITAS, JASON WONG, SAUDIA ALLIE, ALENA DUBINSKY, ALEX KHODJAIANTS, SELECT AMERICAN TRANSFER CO., LEASESMART, INC., ADVANCED GROWING SYSTEMS, INC., INTERNATIONAL ENERGY LTD., NUTRIONE CORPORATION, POCKETOP CORPORATION, ASIA TELECOM LTD., PHARM CONTROL LTD., CAMBRIDGE RESOURCES CORPORATION COMPUSHARE TRANSFER CORPORATION, FEDERATED PURCHASER, INC., TCC INDUSTRIES, INC., FIRST NATIONAL ENTERTAINMENT CORPORATION, WGI HOLDINGS, INC. AND ENERBRITE TECHNOLOGIES GROUP

(2014), 37 OSCB 1006. The first recital of the Order reads:

WHEREAS on October 6, 2008, the Ontario Securities Commission (the **"Commission"**) issued a Notice of Hearing, pursuant to sections 127 and 127.1 of the Securities Act, R.S.O. 1990, c. S.5, as amended (the **"Act"**), in relation to a Statement of Allegations filed by Staff of the Commission on October 6, 2008 in respect of Irwin Boock, Stanton DeFreitas, Jason Wong, Saudia Allie, Alena Dubinsky, Alex Khodjaiants, Select American Transfer Co, Leasesmart, Inc., Advanced Growing Systems, Inc. International Energy Ltd., NutriOne Corporation, Pocketop Corporation, Asia Telecom Ltd., Pharm Control Ltd., Cambridge Resources Corporation, Compushare Transfer Corporation, Federated Purchaser, Inc., TCC Industries, Inc., First National Entertainment Corporaiton, WGI Holdings, Inc. Entertainment Corporation, WGI Holdings, Inc. and Enerbrite Technologies Groups;

This should read instead:

WHEREAS on October 16, 2008, the Ontario Securities Commission (the **"Commission"**) issued a Notice of Hearing, pursuant to sections 127 and 127.1 of the Securities Act, R.S.O. 1990, c. S.5, as amended (the **"Act"**), in relation to a Statement of Allegations filed by Staff of the Commission on October 16, 2008 in respect of Irwin Boock, Stanton DeFreitas, Jason Wong, Saudia Allie, Alena Dubinsky, Alex Khodjaiants, Select American Transfer Co, Leasesmart, Inc., Advanced Growing Systems, Inc., International Energy Ltd., NutriOne Corporation, Pocketop Corporation, Asia Telecom Ltd., Pharm Control Ltd., Cambridge Resources Corporation, Compushare Transfer Corporation, Federated Purchaser, Inc., TCC Industries, Inc., First National Entertainment Corporation, WGI Holdings, Inc. and Enerbrite Technologies Group Inc.;

1.1.2 OSC Staff Notice 13-704 – Applications for Participation Fee Relief for Certain Small Registered Firms and Reporting Issuers

OSC STAFF NOTICE 13-704
APPLICATIONS FOR PARTICIPATION FEE RELIEF
FOR CERTAIN SMALL REGISTERED FIRMS AND REPORTING ISSUERS

February 20, 2014

Purpose of this Notice

This notice provides information and guidance on an expedited process for certain small registered firms and reporting issuers to apply for participation fee relief.

Staff (**Staff**) of the Ontario Securities Commission (**OSC**) believes that participation fee relief may be appropriate in certain circumstances for smaller registered firms and reporting issuers (in Class 1 and 3C, as those terms are defined in OSC Rule 13-502 *Fees* (**Fees Rule**)). The participation fee relief contemplated by this notice for applicants that are granted relief is projected to be between $235 and $17,275 for registered firms and between $160 and $13,150 for reporting issuers (although most registered firms and reporting issuers will be eligible for fee relief closer to the lower ends of these ranges).

The Fees Rule sets out participation fees payable by registered firms and reporting issuers. Participation fee levels are set using a tiered structure based on specified Ontario revenues for registered firms and on capitalization for reporting issuers.

To improve the predictability of OSC fee revenues and simplify cash flow planning for market participants, the Fees Rule was amended in 2013 to base participation fees on specified Ontario revenues (for registered firms) and on capitalization (for reporting issuers) from their last fiscal year ended prior to May 1, 2012 (their 2011 reference fiscal year or **2011 RFY**). Under this approach, registered firms and reporting issuers are required to use data from their 2011 RFY to calculate participation fees for the next three years. The 2013 amendments were designed to (and fees were set at rates to) allow the OSC to reach cost recovery by the end of fiscal 2016, to remain financially stable, and deliver against its mandate.

While the limited fee relief contemplated by this notice will reduce the OSC's 2013/2014 revenues and impact its ability to reach cost recovery by the end of fiscal 2016, as originally set out in the 2013 amendments, Staff believes that targeted relief for smaller registered firms and reporting issuers is appropriate.

The expedited relief processes, and eligibility to apply for relief or a refund using the expedited relief processes, are set out in this staff notice.

Eligibility

Registered firms and reporting issuers that meet the criteria set out below are invited to apply for participation fee relief or a refund before March 31, 2014 using the expedited process set out below.

The expedited application process is available to a registered firm or reporting issuer (in Class 1 or 3C) if, based on its 2013 fiscal year (as defined below):

- it would be in the lowest three participation fee tiers (i.e. registered firms with specified Ontario revenues under $1 million and reporting issuers with capitalization under $50 million); and
- its 2013 specified Ontario revenues or capitalization (both defined below) has decreased by at least 50% from its specified Ontario revenues or capitalization in its 2011 RFY.

A registered firm or reporting issuer that meets both of these criteria and follows the process set out below will, if not contrary to the public interest, be considered for a one-time 50% refund (or reduction) of its participation fee, subject to payment of the minimum participation fee of $800 for registered firms and reporting issuers. Examples of the contemplated fee relief for a sample registered firm and a sample reporting issuer are set out below. We will not charge fees for these applications.

The 2013 specified Ontario revenues and 2013 capitalization are based on the registered firm's or reporting issuer's 2013 fiscal year and are calculated in accordance with the Fees Rule. For registered firms and reporting issuers, the 2013 fiscal year is the firm's last fiscal year ended before January 1, 2014.

The percentage decrease in 2013 specified Ontario revenues for registered firms is calculated as follows. The percentage decrease in 2013 capitalization for reporting issuers is calculated in a similar manner.

$$\% \text{ decrease} = \frac{(\text{2011 RFY specified Ontario revenues}) - (\text{2013 specified Ontario revenues})}{\text{2011 specified Ontario revenues}} \times 100$$

Example for registered firms

- 2011 RFY calculation: A registered firm reports 2011 RFY specified Ontario revenues of $750,000 and is required to pay a fee of $3,390 under the Fees Rule.
- 2013 specified Ontario revenues: The registered firm has 2013 specified Ontario revenues of $240,000.
- Eligibility to apply (must meet both criteria):
    - Are 2013 specified Ontario revenues less than $1 million? Yes, the registered firm's 2013 specified Ontario revenues are $240,000.
    - Did the 2013 specified Ontario revenues decrease by at least 50% from the 2011 RFY specified Ontario revenues? Yes, the 2013 specified Ontario revenues decreased 68% from the 2011 RFY specified Ontario revenues.
- Contemplated fee relief:
    - The registered firm would submit a reduced fee of $1,695 with its application (50% x $3,390) by following the procedure outlined below.
    - If the registered firm has already paid its participation fees of $3,390 for the 2013 fiscal year, it should apply for a refund of $1,695 by following the procedure outlined below for registered firms.

Example for reporting issuers

- 2011 RFY calculation: A reporting issuer (other than a Class 2, 3A or 3B issuer, as those terms are defined in the Fees Rule) reports 2011 RFY capitalization of $40 million and is required to pay a fee of $2,320 under the Fees Rule.
- 2013 capitalization: The reporting issuer has capitalization of $8 million.
- Eligibility to apply (must meet both criteria):
    - Is 2013 capitalization less than $50 million? Yes, the reporting issuer's 2013 capitalization is $8 million.
    - Did the 2013 capitalization decrease by at least 50% from its 2011 RFY capitalization? Yes, the 2013 capitalization decreased 80% from the 2011 RFY.
- Contemplated fee relief:
    - If the reporting issuer has yet to pay its participation fees for the 2013 fiscal year, it should submit the lower participation fee of $1,160 (50% of $2,320) with its application by following the procedure outlined below for reporting issuers.
    - If the reporting issuer has already paid its participation fees of $2,320 for the 2013 fiscal year, it should apply for a refund of $1,160 by following the procedure outlined below for reporting issuers.

Procedures for fee relief or a refund for registered firms

To apply for fee relief or a refund, a registered firm should submit all of the information below through the OSC's **Electronic Filing Portal** (or https://www.osc.gov.on.ca/filings under PDF Submissions):

1. Completed Form 13-704F1 *Application for Expedited Fee Relief – Capital Markets Participation Fees* (**Form 13-704F1**) at http://www.osc.gov.on.ca/documents/en/Securities-Category1/form_13-704f1.pdf,
2. Documentation to support each line item on Form 13-704F1 in relation to the 2013 fiscal year (i.e. total revenues, revenues not attributable to capital markets activities, deductions made and Ontario percentage), and

3. A copy of the firm's audited annual financial statements for the 2013 fiscal year, if not previously submitted to the OSC.

Cheques will be issued and mailed to those registered firms who are granted a refund.

Procedures for fee relief or a refund for reporting issuers

To apply for fee relief or a refund, a reporting issuer should submit all information through SEDAR.

Reporting issuers who have not already paid their most current participation fees (and are filing for concurrent relief) should follow all three steps below.

Reporting issuers who are applying for a refund should follow steps 2 and 3 only.

1. File the completed Participation Fee Form (using the 2011 RFY) and submit the participation fee (reduced to account for the contemplated fee relief) with the Annual Financial Statement SEDAR project using the typical process as required under the Fees Rule. Note: the Participation Fee Form should indicate the participation fee if no relief is granted.

2. Using the following SEDAR filing details, submit the completed Form 13-704F2 *Application for Expedited Fee Relief – Corporate Finance Participation Fees* (**Form 13-704F2**) at http://www.osc.gov.on.ca/documents/en/Securities-Category1/form_13-704f2.pdf.

Filing Category:	Continuous Disclosure
Filer Category:	Other Issuer
Folder:	General
Filing Type:	For Regulator's Use Only
Document Type:	Other (***Name the document "OSC Participation Fees Relief Application"***)

3. Provide documentation as necessary to support each line item on Form 13-704F2 in relation to the 2013 fiscal year.

Staff will review the application and respond through SEDAR to notify the reporting issuer of the decision.

Cheques will be issued and mailed to those reporting issuers who are granted refunds.

For reporting issuers making a concurrent fee relief application, if the requested fee relief is not granted then the reporting issuer will be required to make an additional payment (to pay the full participation fees due).

Questions

If you have questions regarding this staff notice or how to apply for fee relief or a refund, please refer them to any of the following:

Registered firm questions:

Kelly Everest
Manager, Compliance and Registrant Regulation
416-595-8914
keverest@osc.gov.on.ca

Jonathan Yeung
Senior Financial Analyst, Compliance and Registrant Regulation
416-595-8924
jyeung@osc.gov.on.ca

Reporting issuer questions:

Lisa Piebalgs
Accountant, Corporate Finance
416-593-8147
lpiebalgs@osc.gov.on.ca

Ann Mankikar
Supervisor – Financial Examiners, Corporate Finance
416-593-8281
amankikar@osc.gov.on.ca

1.1.3 Global Privacy Management Trust and Robert Cranston

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

AND

IN THE MATTER OF
GLOBAL PRIVACY MANAGEMENT TRUST and ROBERT CRANSTON

NOTICE OF WITHDRAWAL

WHEREAS on December 8, 2000, the Ontario Securities Commission (the "Commission") issued a Temporary Order pursuant to subsections 127(1) and 127(5) of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "Act") in respect of Global Privacy Management Trust ("Global Privacy") and Robert Cranston ("Cranston");

AND WHEREAS on December 12, 2000, the Commission issued a Notice of Hearing pursuant to sections 127 and 127.1 of the Act in connection with a Statement of Allegations filed by Staff of the Commission ("Staff") on the same date;

AND WHEREAS the Notice of Hearing gave notice to the parties that a hearing would be held on December 20, 2000;

AND WHEREAS on December 20, 2000, the Commission extended the Temporary Order against Global Privacy and Cranston until the conclusion of the hearing;

AND WHEREAS the hearing in this matter was adjourned *sine die* to be brought back before the Commission on seven days' notice by either party;

AND WHEREAS this matter was not brought back on for hearing;

TAKE NOTICE that Staff withdraw the allegations against Global Privacy and Cranston.

February 14, 2014

Staff of the Ontario Securities Commission
20 Queen Street West, 22nd Floor
Toronto, ON M5H 3S8

Matthew H. Britton
Tel. (416) 593-8294
Email: mbritton@osc.gov.on.ca

1.3 News Releases

1.3.1 OSC to Provide Fee Relief for Certain Small Market Participants

FOR IMMEDIATE RELEASE
February 20, 2014

OSC TO PROVIDE FEE RELIEF
FOR CERTAIN SMALL MARKET PARTICIPANTS

TORONTO – The Ontario Securities Commission (OSC) announced today one-time relief on participation fees for certain small registered firms and reporting issuers.

The relief, outlined in OSC Staff Notice 13-704 *Applications for Participation Fee Relief for Certain Small Registered Firms and Reporting Issuers*, has been developed specifically for market participants dealing with challenging conditions that may have resulted in decreased revenues and market capitalization.

"We are confident that this targeted relief is appropriate and responsive to the difficulties faced by some of our stakeholders, but will still allow us to carry out our important regulatory work," said Maureen Jensen, the OSC's Executive Director and Chief Administrative Officer. "In response to input received, we also plan to re-examine our fee rule earlier than initially planned to ensure it remains appropriate."

The OSC expects to publish the results of its review of its fee rule and any amendments in the fall of 2014, for a 90-day comment period.

The limited fee relief announced today will reduce the OSC's 2013/2014 revenues and impact its ability to reach cost recovery by the end of fiscal 2016, as originally set out in 2013. Under this fee relief, the average market participant that meets the defined criteria will see relief ranging between $235 and $17,275 (for registered firms) and between $160 and $13,150 (for reporting issuers), with most participants entitled to relief closer to the lower end of both bands.

Eligible registered firms and reporting issuers must apply for relief using the relevant application form available on the OSC website. There is no cost for applying, and application forms must be submitted by March 31, 2014.

For Media Inquiries:

Carolyn Shaw-Rimmington
Manager, Public Affairs
416-593-2361

Aly Vitunski
Senior Media Relations Specialist
416-593-8263

Alison Ford
Media Relations Specialist
416-593-8307

For Investor Inquiries:

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

1.4 Notices from the Office of the Secretary

1.4.1 Ernst & Young LLP (Audits of Zungui Haixi Corporation)

FOR IMMEDIATE RELEASE
February 12, 2014

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

AND

IN THE MATTER OF
ERNST & YOUNG LLP
(AUDITS OF ZUNGUI HAIXI CORPORATION)

TORONTO – The Commission issued an Order in the above named matter with certain provisions. The confidential pre-hearing conference scheduled for February 13, 2014 at 10:00 a.m. is vacated.

A copy of the Order dated February 11, 2014 is available at www.osc.gov.on.ca.

OFFICE OF THE SECRETARY
JOSÉE TURCOTTE
ACTING SECRETARY

For media inquiries:
media_inquiries@osc.gov.on.ca

Carolyn Shaw-Rimmington
Manager, Public Affairs
416-593-2361

Aly Vitunski
Senior Media Relations Specialist
416-593-8263

Alison Ford
Media Relations Specialist
416-593-8307

For investor inquiries:

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

1.4.2 Global Privacy Management Trust and Robert Cranston

FOR IMMEDIATE RELEASE
February 14, 2014

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

AND

IN THE MATTER OF
GLOBAL PRIVACY MANAGEMENT TRUST
and ROBERT CRANSTON

TORONTO – Staff of the Ontario Securities Commission filed a Notice of Withdrawal in the above named matter.

A copy of the Notice of Withdrawal dated February 14, 2014 is available at www.osc.gov.on.ca.

OFFICE OF THE SECRETARY
JOSÉE TURCOTTE
ACTING SECRETARY

For media inquiries:
media_inquiries@osc.gov.on.ca

Carolyn Shaw-Rimmington
Manager, Public Affairs
416-593-2361

Aly Vitunski
Senior Media Relations Specialist
416-593-8263

Alison Ford
Media Relations Specialist
416-593-8307

For investor inquiries:

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

1.4.3 North American Financial Group Inc. et al.

FOR IMMEDIATE RELEASE
February 14, 2014

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

AND

IN THE MATTER OF
NORTH AMERICAN FINANCIAL GROUP INC.,
NORTH AMERICAN CAPITAL INC.,
ALEXANDER FLAVIO ARCONTI AND
LUIGINO ARCONTI

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

A copy of the Order dated February 13, 2014 is available at www.osc.gov.on.ca.

OFFICE OF THE SECRETARY
JOSÉE TURCOTTE
ACTING SECRETARY

For media inquiries:
media_inquiries@osc.gov.on.ca

Carolyn Shaw-Rimmington
Manager, Public Affairs
416-593-2361

Aly Vitunski
Senior Media Relations Specialist
416-593-8263

Alison Ford
Media Relations Specialist
416-593-8307

For investor inquiries:

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

1.4.4 Frederick Lawrence Marlatt, also known as Frederick Lawrence Mitschele and Michael Wallace Minor

FOR IMMEDIATE RELEASE
February 14, 2014

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

AND

IN THE MATTER OF
FREDERICK LAWRENCE MARLATT,
also known as FREDERICK LAWRENCE MITSCHELE
and MICHAEL WALLACE MINOR

TORONTO – The Commission issued an Order in the above named matter which provides that:

(a) Staff's application to proceed by way of written hearing is granted;

(b) Staff's materials in respect of the written hearing shall be filed on or before February 24, 2014;

(c) Staff are relieved from the requirement to provide the Respondents with any authorities upon which Staff relies that are contained within the Commission's Book of Authorities, and where Staff relies on any such authority, Staff shall provide the Respondents with written instructions on how to locate the Commission's Book of Authorities;

(d) The Respondents' responding materials, if any, shall be served and filed no later than March 17, 2014; and

(e) Staff's reply materials, if any, shall be served and filed no later than March 24, 2014.

A copy of the Order dated February 13, 2014 is available at www.osc.gov.on.ca.

OFFICE OF THE SECRETARY
JOSÉE TURCOTTE
ACTING SECRETARY

For media inquiries:
media_inquiries@osc.gov.on.ca

Carolyn Shaw-Rimmington
Manager, Public Affairs
416-593-2361

Aly Vitunski
Senior Media Relations Specialist
416-593-8263

Alison Ford
Media Relations Specialist
416-593-8307

For investor inquiries:

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

1.4.5 Portfolio Capital Inc. et al.

FOR IMMEDIATE RELEASE
February 18, 2014

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

AND

IN THE MATTER OF
PORTFOLIO CAPITAL INC., DAVID ROGERSON
and AMY HANNA-ROGERSON

TORONTO – The Commission issued an Order in the above noted matter which provides that:

(a) The hearing date of February 18, 2014 is vacated;

(b) Staff shall serve and file its written closing submissions by March 14, 2014;

(c) The Respondents shall serve and file any written closing submissions by March 28, 2014; and

(d) If the Respondents serve and file written closing submissions, the hearing on the merits shall continue for the purpose of hearing oral closing submissions on a date and time to be set by the Office of the Secretary.

A copy of the Order dated February 14, 2014 is available at www.osc.gov.on.ca.

OFFICE OF THE SECRETARY
JOSÉE TURCOTTE
ACTING SECRETARY

For media inquiries:
media_inquiries@osc.gov.on.ca

Carolyn Shaw-Rimmington
Manager, Public Affairs
416-593-2361

Aly Vitunski
Senior Media Relations Specialist
416-593-8263

Alison Ford
Media Relations Specialist
416-593-8307

For investor inquiries:

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

Chapter 2

Decisions, Orders and Rulings

2.1 Decisions

2.1.1 Edgefront Realty Corp. – s. 1(10)(a)(ii)

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – application for an order that the issuer is not a reporting issuer.

Applicable Legislative Provisions

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

February 11, 2014

Edgefront Realty Corp.
88 Park Lawn Road, Suite 2817
Etobicoke, ON
M8Y 0B5

Dear Sirs/Mesdames:

Re: Edgefront Realty Corp. (the Applicant) – Application for a decision under the securities legislation of Ontario and Alberta (the Jurisdictions) that the Applicant is not a reporting issuer

The Applicant has applied to the local securities regulatory authority or regulator (the Decision Maker) in each of the Jurisdictions for a decision under the securities legislation (the Legislation) of the Jurisdictions that the Applicant is not a reporting issuer.

In this decision, "securityholder" means, for a security, the beneficial owner of the security.

The Applicant has represented to the Decision Makers that:

(a) the outstanding securities of the Applicant, 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;

(b) no securities of the Applicant, 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;

(c) the Applicant is applying for a decision that it is not a reporting issuer in all of the jurisdictions of Canada in which it is currently a reporting issuer; and

(d) the Applicant is not in default of any of its obligations under the Legislation as a reporting issuer.

Each of the Decision Makers is satisfied that the test contained in the Legislation that provides the Decision Maker with the jurisdiction to make the decision has been met and orders that the Applicant is not a reporting issuer.

"Jo-Anne Matear"
Corporate Finance
Ontario Securities Commission

2.1.2 Rockgate Capital Corp. – s. 1(10)(a)(ii)

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – application for an order that the issuer is not a reporting issuer.

Applicable Legislative Provisions

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

February 12, 2014

Rockgate Capital Corp.
c/o Andrew Spencer
Cassels Brock & Blackwell LLP
Suite 2200, HSBC Building
885 West Georgia Street
Vancouver, B.C. V6C 3E8

Dear Sirs/Mesdames:

Re: Rockgate Capital Corp. (the Applicant) – Application for a decision under the securities legislation of Ontario, Alberta and Nova Scotia (the Jurisdictions) that the Applicant is not a reporting issuer

The Applicant has applied to the local securities regulatory authority or regulator (the Decision Maker) in each of the Jurisdictions for a decision under the securities legislation (the Legislation) of the Jurisdictions that the Applicant is not a reporting issuer.

In this decision, "securityholder" means, for a security, the beneficial owner of the security.

The Applicant has represented to the Decision Makers that:

(a) the outstanding securities of the Applicant, 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;

(b) no securities of the Applicant, 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;

(c) the Applicant is applying for a decision that it is not a reporting issuer in all of the jurisdictions of Canada in which it is currently a reporting issuer; and

(d) the Applicant is not in default of any of its obligations under the Legislation as a reporting issuer.

Each of the Decision Makers is satisfied that the test contained in the Legislation that provides the Decision Maker with the jurisdiction to make the decision has been met and orders that the Applicant is not a reporting issuer.

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

2.1.3 Plazacorp Retail Properties Ltd. – s. 1(10)

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – application for an order that the issuer is not a reporting issuer.

Ontario Statutes

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

6 February 2014

Plaza Retail REIT
c/o Goodmans LLP
Bay Adelaide Centre
333 Bay Street, Suite 3400
Toronto, ON M5H 2S7
Attention: Matt Segal

Dear Sirs/Mesdames:

Re: Plazacorp Retail Properties Ltd. (the "Applicant") – Application for a decision under the securities legislation of New Brunswick, Alberta, Saskatchewan, Manitoba, Ontario, Quebec, Nova Scotia, Prince Edward Island and Newfoundland and Labrador (the "Jurisdictions") that the Applicant is not a reporting issuer

The Applicant has applied to the local securities regulatory authority or regulator (the **"Decision Maker"**) in each of the Jurisdictions for a decision under the securities legislation (the **"Legislation"**) of the Jurisdictions that the Applicant is not a reporting issuer.

In this decision, "securityholder" means, for a security, the beneficial owner of the security.

The Applicant has represented to the Decision Makers that:

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

b) no securities of the Applicant, 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;

c) the Applicant is applying for a decision that it is not a reporting issuer in all of the jurisdictions in Canada in which it is currently a reporting issuer; and

d) the Applicant is not in default of any of its obligations under the Legislation as a reporting issuer.

Each of the Decision Makers is satisfied that the test contained in the Legislation that provides the Decision Maker with the jurisdiction to make the decision has been met and orders that the Applicant is not a reporting issuer.

"Kevin Hoyt"
Director, Securities
Financial and Consumer Services Commission (NB)

2.1.4 First Uranium Corporation – s. 1(10)(a)(ii)

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Issuer deemed to no longer 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).

February 13, 2014

First Uranium Corporation
Suite 400, 77 King Street West
Toronto, ON M5K 0A1

Dear Sirs/Mesdames:

Re: First Uranium Corporation (the Applicant) – Application for a Decision under the Securities Legislation of each of Ontario, Alberta, Manitoba, New Brunswick, Newfoundland and Labrador, Nova Scotia, North West Territories, Nunavut, Prince Edward Island, Quebec, Saskatchewan and Yukon (the Jurisdictions) that the Applicant is not a Reporting Issuer

The Applicant has applied to the local securities regulatory authority or regulator (the Decision Maker) in each of the Jurisdictions for a decision under the securities legislation (the Legislation) of the Jurisdictions that the Applicant is not a reporting issuer.

In this decision, "securityholder" means, for a security, the beneficial owner of the security.

The Applicant has represented to the Decision Makers that:

(a) the outstanding securities of the Applicant, 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;

(b) no securities of the Applicant, 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;

(c) the Applicant is applying for a decision that it is not a reporting issuer in all of the jurisdictions of Canada in which it is currently a reporting issuer; and

(d) the Applicant is not in default of any of its obligations under the Legislation as a reporting issuer.

Each of the Decision Makers is satisfied that the test contained in the Legislation that provides the Decision Maker with the jurisdiction to make the decision has been met and orders that the Applicant is not a reporting issuer.

"Kathryn Daniels"
Deputy Director, Corporate Finance
Ontario Securities Commission

2.1.5 Schneider Electric S.A.

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Application for relief from the prospectus and dealer registration requirements for certain trades made in connection with an employee share offering by a French issuer – The offering involves the use of collective employee shareholding vehicles, each a fonds communs de placement d'entreprise (FCPE) – The Filer cannot rely on the employee prospectus exemption in section 2.24 of National Instrument 45-106 Prospectus and Registration Exemptions and the Manager cannot rely on the plan administrator exemption in section 8.16 of National Instrument 31-103 Registration Requirements and Exemptions as the shares are not being offered to Canadian employees directly by the issuer but through the FCPEs – Canadian employees will receive disclosure documents – The FCPEs are subject to the supervision of the French Autorité des marchés financiers – Relief granted, subject to conditions.

Applicable Legislative Provisions

Securities Act (Ontario), ss. 25, 53, 74.
National Instrument 31-103 Registration Requirements and Exemptions, s. 8.16.
National Instrument 45-102 Resale of Securities, s. 2.14.
National Instrument 45-106 Prospectus and Registration Exemptions, s. 2.24.

February 7, 2014

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
SCHNEIDER ELECTRIC S.A.
(the "Filer")

DECISION

Background

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

1. an exemption from the prospectus requirements of the Legislation (the "**Prospectus Relief**") so that such requirements do not apply to

   (a) trades in:

      (i) units (the "**Principal Classic Units**") of an FCPE named Schneider Actionnariat Mondial (the "**Principal Classic FCPE**"), which is a *fonds commun de placement d'entreprise* or "FCPE," a form of collective shareholding vehicle commonly used in France for the conservation of shares held by employee-investors; and

      (ii) units (together with the Principal Classic Units, the "**Units**") of a temporary FCPE named Schneider Relais International 2014 (the "**Temporary Classic FCPE**"), which will merge with the Principal Classic FCPE following the Employee Share Offering (as defined below) as further described in paragraph 14 of the Representations;

   made pursuant to the Employee Share Offering (as defined below) to or with Qualifying Employees (as defined below) resident in the Jurisdiction and in the Provinces of British Columbia, Alberta, Saskatchewan,

Manitoba, Québec, New Brunswick, and Nova Scotia (collectively, the "**Canadian Employees**," and Canadian Employees who subscribe for Units, the "**Canadian Participants**"); and

(b) trades of ordinary shares of the Filer (the "**Shares**") by the Principal Classic FCPE and/or the Temporary Classic FCPE to or with Canadian Participants upon the redemption of Units thereof as requested by Canadian Participants;

2. an exemption from the dealer registration requirements of the Legislation (the "**Registration Relief**") so that such requirements do not apply to the Schneider Electric Group (as defined below and which, for clarity, includes the Filer and the Local Affiliates (as defined below)), the Temporary Classic FCPE, the Principal Classic FCPE and NATIXIS Asset Management (the "**Management Company**") in respect of:

(a) trades in Units made pursuant to the Employee Share Offering to or with Canadian Employees; and

(b) trades in Shares by the Temporary Classic FCPE and/or the Principal Classic FCPE to or with Canadian Participants upon the redemption of Units as requested by Canadian Participants.

(the Prospectus Relief and the Registration Relief, collectively, the "**Offering Relief**")

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

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

(b) the 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, Alberta, Saskatchewan, Manitoba, Québec, New Brunswick and Nova Scotia.

Interpretation

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

Representations

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

1. The Filer is a corporation formed under the laws of France. It is not, and has no current intention of becoming, a reporting issuer under the Legislation or under the securities legislation of any other jurisdiction of Canada. The head office of the Filer is located in France and the Shares are listed on NYSE Euronext Paris. The Filer is not in default under the Legislation or under the securities legislation of any other jurisdiction of Canada.

2. The Filer carries on business in Canada through certain affiliated companies that employ Canadian Employees, including Schneider Electric Canada Inc., Power Measurement Ltd., Juno Lighting Ltd., Schneider Electric IT Corporation, Control Microsystems Inc., Telvent Canada Ltd., Viconics Technologies Inc. and Invensys Systems Canada (collectively, the "**Local Affiliates**," together with the Filer and other affiliates of the Filer, the "**Schneider Electric Group**"). None of the Local Affiliates is in default under the Legislation or the securities legislation of any other jurisdiction of Canada.

3. Each of the Local Affiliates is a direct or indirect-controlled subsidiary of the Filer and is not, and has no current intention of becoming, a reporting issuer under the Legislation or under the securities legislation of any other jurisdiction of Canada. The Canadian headquarters of the Schneider Electric Group are in Ontario, there are more assets of the Schneider Electric Group in Canada in Ontario than in any other Province and there are more clients of the Schneider Electric Group in Canada in Ontario than in any other Province.

4. As of the date hereof and after giving effect to the Employee Share Offering (as defined below), Canadian residents do not and will not beneficially own (which term, for the purposes of this paragraph, is deemed to include all Shares held by the Principal Classic FCPE and the Temporary Classic FCPE on behalf of Canadian Participants) more than 10% of the Shares and do not and will not represent in number more than 10% of the total number of holders of the Shares as shown on the books of the Filer.

5. The Filer has established a global employee share offering for employees of the Schneider Electric Group (the "**Employee Share Offering**"). The Employee Share Offering involves an offering of Shares to be subscribed through

the Principal Classic FCPE via the Temporary Classic FCPE (as further described in paragraph 14) (the "**Classic Plan**").

6. Only persons who are employees of a member of the Schneider Electric Group during the subscription period for the Employee Share Offering and who meet other employment criteria (the "**Qualifying Employees**") will be allowed to participate in the Employee Share Offering.

7. The Temporary Classic FCPE has been established for the purpose of implementing the Employee Share Offering. The Principal Classic FCPE has been established for the purpose of implementing employee share offerings of the Filer. There is no current intention for either the Principal Classic FCPE or the Temporary Classic FCPE to become a reporting issuer under the Legislation or the securities legislation of any other jurisdiction of Canada.

8. Each of the Temporary Classic FCPE and the Principal Classic FCPE is an FCPE which is a shareholding vehicle of a type commonly used in France for the conservation or custodianship of shares held by employee-investors. The Principal Classic FCPE and the Temporary Classic FCPE have been registered with the French Autorité des marchés financiers (the "**French AMF**"). Only Qualifying Employees will be allowed to hold Units issued pursuant to the Employee Share Offering.

9. All Units acquired in the Employee Share Offering by Canadian Participants will be subject to a hold period of several years (the "**Lock-Up Period**"), subject to certain exceptions prescribed by French law, provided for in the Schneider Electric International Employee Shareholding Plan and adopted under the Classic Plan in Canada (such as a release on death or termination of employment, or the exception that the Canadian Participant's employer ceases to be an affiliate of the Filer).

10. The Classic Plan includes two options, the "**5 Year Offer**" and the "**7 Year Offer**". Canadian Participants may subscribe under either or both of these options. Units subscribed for under the 5 Year Offer are subject to a Lock-Up Period of approximately five years. Units subscribed for under the 7 Year Offer are subject to a Lock-Up Period of approximately seven years.

11. Under the Classic Plan, Canadian Participants will subscribe for Units in the Temporary Classic FCPE, and the Temporary Classic FCPE will then subscribe for Shares on behalf of Canadian Participants using the Canadian Participants' contributions and the employer contributions from Local Affiliates that employ the Canadian Participants, as described in paragraph 12. The subscription price will be the Canadian dollar equivalent equal to the average of the opening price of the Shares (expressed in Euros) on NYSE Euronext Paris on the 20 trading days preceding the date of fixing of the subscription price by the Management Board of the Filer, less a 20% discount.

12. As indicated above, the Local Affiliate employing a Canadian Participant will also contribute on behalf of such Canadian Participant an amount into the Classic Plan. For each contribution that a Canadian Participant makes into the 5 Year Offer up to CAD$1,300, the Local Affiliate employing such Canadian Participant will contribute an additional 100% of such amount into the 5 Year Offer on behalf of such Canadian Participant. For the portion of each contribution that a Canadian Participant makes that is equal to or greater than CAD$1,301 and up to and including CAD$2,900, the Local Affiliate employing such Canadian Participant will contribute an additional 50% of such amount into the 5 Year Offer on behalf of such Canadian Participant. For each contribution that a Canadian Participant makes into the 7 Year Offer up to CAD$1,300, the Local Affiliate employing such Canadian Participant will contribute an additional 100% of such amount into the 7 Year Offer on behalf of such Canadian Participant.

13. For clarity, the maximum contribution by a Local Affiliate in respect of a Canadian Participant is CAD$ 3,400 (i.e., 100% of the first CAD$1,300 contribution in respect of the 5 Year Offer, 50% of the next CAD$1,600 contribution in respect of the 5 Year Offer and 100% of the first CAD$1,300 contribution in respect of the 7 Year Offer).

14. Initially, the Shares subscribed for will be held in the Temporary Classic FCPE and the Canadian Participant will receive Units in the Temporary Classic FCPE. Following the completion of the Employee Share Offering, the Temporary Classic FCPE will be merged with the Principal Classic FCPE (subject to the approval of the supervisory board of the FCPEs and the French AMF). Units of the Temporary Classic FCPE held by Canadian Participants will be replaced with Units of the Principal Classic FCPE on a pro rata basis and the Shares subscribed for under the Employee Share Offering will be held in the Principal Classic FCPE (the "**Merger**").

15. The term "**Classic FCPE**" used herein means, prior to the Merger, the Temporary Classic FCPE, and following the Merger, the Principal Classic FCPE.

16. Under the Classic Plan, at the end of the applicable Lock-Up Period a Canadian Participant may

(a) request the redemption of Units in the Classic FCPE in consideration for a cash payment equal to the then market value of the Shares, or

(b) continue to hold Units in the Classic FCPE and request the redemption of those Units at a later date in consideration for a cash payment equal to the then market value of the Shares.

Subject to certain changes in the regulations of the Classic FCPE which may be made, a Canadian Participant may be permitted to request the redemption of his or her Units in the Classic FCPE in consideration for the underlying Shares (instead of a cash payment) at or after the end of the Lock-Up Period.

17. In the event of an early unwind resulting from the Canadian Participant exercising one of the exceptions to the Lock-Up Period and meeting the applicable criteria, a Canadian Participant may request the redemption of Units in the Classic FCPE in consideration for a cash payment equal to the then market value of the underlying Shares.

18. Dividends paid on the Shares held in the Classic FCPE will be contributed to the Classic FCPE and used to purchase additional Shares. To reflect this reinvestment, no new Units will be issued. Instead, the reinvestment will increase the asset base of the Classic FCPE as well as the value of the Units held by Canadian Participants.

19. The subscription price will not be known to Canadian Employees until after the end of the subscription period. However, this information will be provided to Canadian Employees prior to the start of the revocation period, during which Canadian Participants may choose to revoke all (but not part) of their subscription under the Classic Plan and thereby not participate in the Employee Share Offering.

20. Each of the Temporary Classic FCPE and the Principal Classic FCPE is an FCPE, which is a limited liability entity under French law. The portfolio of each of the Principal Classic FCPE and the Temporary Classic FCPE will consist almost entirely of Shares, but may, from time to time, include cash in respect of dividends paid on the Shares which will be reinvested in Shares and cash or cash equivalents pending investments in Shares and for the purposes of Unit redemptions.

21. The Management Company is a portfolio management company governed by the laws of France. The Management Company is registered with the French AMF to manage investments and complies with the rules of the French AMF. To the best of the Filer's knowledge, the Management Company is not, and has no current intention of becoming, a reporting issuer under the Legislation or the securities legislation of any other jurisdiction of Canada.

22. The Management Company's portfolio management activities in connection with the Employee Share Offering and the Principal Classic FCPE and the Temporary Classic FCPE are limited to subscribing for Shares from the Filer, selling such Shares as necessary in order to fund redemption requests and investing available cash in cash equivalents.

23. The Management Company is also responsible for preparing accounting documents and publishing periodic informational documents as provided by the rules of each of the Principal Classic FCPE and the Temporary Classic FCPE. The Management Company's activities do not affect the underlying value of the Shares and the Management Company will not be involved in providing advice to any Canadian Employees with respect to an investment in the Units. To the best of the Filer's knowledge, the Management Company is not in default of the Legislation or the securities legislation of any other jurisdiction of Canada.

24. Shares issued in the Employee Share Offering will be deposited in the Classic FCPE through CACEIS Bank (the "**Depositary**"), a large French commercial bank subject to French banking legislation.

25. Under French law, the Depositary must be selected by the Management Company from among a limited number of companies identified on a list maintained by the French Minister of the Economy and Finance and its appointment must be approved by the French AMF. The Depositary carries out orders to purchase, trade and sell securities in the portfolio and takes all necessary action to allow each of the Principal Classic FCPE and the Temporary Classic FCPE to exercise the rights relating to the securities held in its respective portfolio.

26. The Unit value of the Classic FCPE will be calculated and reported to the French AMF on a regular basis, based on the net assets of the Classic FCPE divided by the number of Units outstanding. The value of Classic FCPE Units will be based on the value of the underlying Shares, but the number of Units of the Classic FCPE will not correspond to the number of the underlying Shares (e.g., dividends will be reinvested in additional Shares and increase the value of each Unit).

27. All management charges relating to the Classic FCPE will be paid from the assets of the Classic FCPE or by the Filer, as provided in the regulations of the Classic FCPE.

28. Participation in the Employee Share Offering is voluntary, and the Canadian Employees will not be induced to participate in the Employee Share Offering by expectation of employment or continued employment.

29. The total amount that may be invested by a Canadian Employee in the Employee Share Offering cannot exceed 25% of his or her gross annual compensation for the 2013 calendar year. Notwithstanding the foregoing, the employer of a Canadian Employee shall have the discretion to permit a Canadian Employee to use his or her estimated gross annual compensation for the 2014 calendar year instead of actual 2013 gross annual compensation for the above-mentioned limits.

30. None of the Filer, the Management Company, the Local Affiliates or any of their directors, officers, employees, agents or representatives will provide investment advice to the Canadian Employees with respect to an investment in the Shares or the Units.

31. The Canadian Employees will receive or may request an information package in the French or English language, according to their preference, which will include a summary of the terms of the Employee Share Offering and a description of Canadian income tax consequences of subscribing for and holding Units of the Classic FCPE and requesting the redemption of such Units at the end of the applicable Lock-Up Period. These documents will be available in both English and French.

32. Canadian Participants will have access to the Filer's French *Document de Référence* filed with the French AMF in respect of the Shares and a copy of the rules of the Temporary Classic FCPE and the Principal Classic FCPE. The Canadian Employees will also have access to copies of the continuous disclosure materials relating to the Filer that are furnished to holders of the Shares.

33. Canadian Participants will receive an initial statement of their holdings under the Classic Plan, together with an updated statement at least once per year.

34. There are approximately 2,756 Canadian Employees resident in the provinces of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Québec, New Brunswick and Nova Scotia (with the greatest number, approximately 775, 710, 631 and 583, resident in Quebec, British Columbia, Alberta and Ontario, respectively), who represent, in the aggregate, less than 2% of the number of employees in the Schneider Electric Group worldwide.

35. The Units will not be listed on any exchange.

Decision

The principal regulator is satisfied that the test contained in the Legislation that provides the principal regulator with the jurisdiction to make the decision has been met.

The decision of the principal regulator under the Legislation is that the Offering Relief is granted provided that the prospectus requirements of the Legislation will apply to the first trade in any Units or Shares acquired by Canadian Participants pursuant to this decision unless the following conditions are met:

(a) the issuer of the security

  (i) was not a reporting issuer in any jurisdiction of Canada at the distribution date, or

  (ii) is not a reporting issuer in any jurisdiction of Canada at the date of the trade;

(b) at the distribution date, after giving effect to the issue of the security and any other securities of the same class or series that were issued at the same time as or as part of the same distribution as the security, residents of Canada

  (i) did not own, directly or indirectly, more than 10% of the outstanding securities of the class or series, and

  (ii) did not represent in number more than 10% of the total number of owners, directly or indirectly, of securities of the class or series; and

(c) the first trade is made

  (i) through an exchange, or a market, outside of Canada, or

(ii) to a person or company outside of Canada.

"Deborah Leckman"
Commissioner
Ontario Securities Commission

"Christopher Portner"
Commissioner
Ontario Securities Commission

2.1.6 RBC Capital Trust II – s. 1(10)(a)(ii)

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – application for an order that the issuer is not a reporting issuer.

Applicable Legislative Provisions

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

Non-official Translation

Montréal, February 17, 2014

RBC Capital Trust II
155 Wellington Street West 14th Floor
Toronto, Ontario M5V 3K7

Attention: Mr. John Green

Dear Mr. Green:

Re: RBC Capital Trust II (the Applicant) – application for a decision under the securities legislation of Québec, Alberta, Saskatchewan, Manitoba, Ontario, New Brunswick, Nova Scotia, Prince Edward Island and Newfoundland and Labrador (the "Jurisdictions") that the Applicant is not a reporting issuer

The Applicant has applied to the local securities regulatory authority or regulator (the "Decision Maker") in each of the Jurisdictions for a decision under the securities legislation (the "Legislation") of the Jurisdictions that the Applicant is not a reporting issuer.

In this decision, "securityholder" means, for a security, the beneficial owner of the security.

The Applicant has represented to the Decision Makers that:

(a) the outstanding securities of the Applicant, 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;

(b) no securities of the Applicant, including debt securities, are traded in Canada or another country on a marketplace as defined in *Regulation 21-101 respecting Marketplace Operation* or any other facility for bringing together buyers and sellers of securities where trading data is publicly reported;

(c) the Applicant is applying for a decision that it is not a reporting issuer in all of the jurisdictions of Canada in which it is currently a reporting issuer; and

(d) the Applicant is not in default of any of its obligations under the Legislation as a reporting issuer.

Each of the Decision Makers is satisfied that the test contained in the Legislation that provides the Decision Maker with the jurisdiction to make the decision has been met and orders that the Applicant's status as a reporting issuer is revoked.

"Martin Latulippe"
Director, Continuous Disclosure
Autorité des marchés financiers

2.2 Orders

2.2.1 Edgefront Realty Corp. – s. 1(6) of the OBCA

Headnote

Filer deemed to have ceased to be offering its securities to the public under the OBCA.

Applicable Legislative Provisions

Business Corporations Act, R.S.O. 1990, c. B.16 as am., s. 1(6).

IN THE MATTER OF
THE BUSINESS CORPORATIONS ACT (ONTARIO)
R.S.O. 1990, c. B.16, AS AMENDED
(the "OBCA")

AND

IN THE MATTER OF
EDGEFRONT REALTY CORP.
(the "Applicant")

ORDER

UPON the application of the Applicant to the Ontario Securities Commission (the "Commission") for an order pursuant to subsection 1(6) of the OBCA;

AND UPON the Applicant having represented to the Commission that:

1. The Applicant is an offering corporation under the OBCA.

2. The head office of the Applicant is located at 88 Park Lawn Road, Suite 2817, Etobicoke, Ontario, M8Y 0B5.

3. On January 13, 2014, the Applicant completed a plan of arrangement with Edgefront Real Estate Investment Trust (the "REIT"). Prior to the arrangement, the Applicant had an authorized capital consisting of an unlimited number of common shares. Pursuant to the arrangement, common shares of the Applicant were exchanged for either units of the REIT or Class B limited partnership units of Edgefront Limited Partnership, in each case on a twenty to one basis, i.e. one unit (or Class B unit) for every 20 shares. Following the arrangement, the Applicant became an indirect wholly-owned subsidiary of the REIT.

4. The common shares of the Applicant were de-listed from the TSX Venture Exchange on January 17, 2014.

5. No securities of the Applicant are traded on a marketplace as defined in National Instrument 21-101 *Marketplace Operation*.

6. The Applicant is a reporting issuer in Ontario and Alberta (the "Jurisdictions") and is not in default of any securities legislation of the Jurisdictions.

7. The Voluntary Surrender of Reporting Issuer Status was issued by the British Columbia Securities Commission effective January 30, 2014 to cease to be a reporting issuer in British Columbia.

8. The Applicant submitted an application on January 21, 2014 to cease to be a reporting issuer in the Jurisdictions.

9. The Applicant has no plans to seek public financing by offering its securities in Canada.

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

IT IS ORDERED pursuant to subsection 1(6) of the OBCA, that the Applicant is deemed to have ceased to be offering its securities to the public for the purpose of the OBCA.

DATED 7th February, 2014.

"Deborah Lechman"

"Suresh Thakrar"

2.2.2 Irwin Boock et al. – s. 127 and 127.1

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

AND

IN THE MATTER OF
IRWIN BOOCK, STANTON DEFREITAS, JASON WONG, SAUDIA ALLIE, ALENA DUBINSKY, ALEX KHODJAIANTS, SELECT AMERICAN TRANSFER CO., LEASESMART, INC., ADVANCED GROWING SYSTEMS, INC., INTERNATIONAL ENERGY LTD., NUTRIONE CORPORATION, POCKETOP CORPORATION, ASIA TELECOM LTD., PHARM CONTROL LTD., CAMBRIDGE RESOURCES CORPORATION, COMPUSHARE TRANSFER CORPORATION, FEDERATED PURCHASER, INC., TCC INDUSTRIES, INC., FIRST NATIONAL ENTERTAINMENT CORPORATION, WGI HOLDINGS, INC. AND ENERBRITE TECHNOLOGIES GROUP

ORDER
(Sections 127 and 127.1 of the Act)

WHEREAS on October 16, 2008, the Ontario Securities Commission (the **"Commission"**) issued a Notice of Hearing, pursuant to sections 127 and 127.1 of the Securities Act, R.S.O. 1990, c. S.5, as amended (the **"Act"**), in relation to a Statement of Allegations filed by Staff of the Commission on October 16, 2008 in respect of Irwin Boock, Stanton DeFreitas, Jason Wong, Saudia Allie, Alena Dubinsky, Alex Khodjaiants, Select American Transfer Co, Leasesmart, Inc., Advanced Growing Systems, Inc., International Energy Ltd., NutriOne Corporation, Pocketop Corporation, Asia Telecom Ltd., Pharm Control Ltd., Cambridge Resources Corporation, Compushare Transfer Corporation, Federated Purchaser, Inc., TCC Industries, Inc., First National Entertainment Corporation, WGI Holdings, Inc. and Enerbrite Technologies Group Inc.;

AND WHEREAS the Commission conducted a hearing on the merits with respect to the allegations against Alena Dubinsky and Alexander Khodjaiants (the **"Individual Respondents"**) on August 7,8,9,10,13, 2012 and December 5, 2012 (the **"Merits Hearing"**);

AND WHEREAS on September 13, 2013, the Commission issued its reasons and decision on the merits in this matter (the **"Merits Decision"**);

AND WHEREAS the Commission determined that the Individual Respondents had not complied with Ontario securities law and had acted contrary to the public interest, as described in the Merits Decision;

AND WHEREAS on November 12, 2013, the Commission held a hearing with respect to the sanctions and costs to be imposed in this matter (the **"Sanctions and Costs Hearing"**);

AND WHEREAS on January 14, 2014, the Commission released its Reasons and Decision on Sanctions and Costs in this matter;

AND WHEREAS the Commission is of the opinion that it is in the public interest to make this order;

IT IS HEREBY ORDERED that:

(a) Against Leasemart, Inc., Advanced Growing Systems, Inc., The Bighub.Com, Inc., International Energy Ltd., Pocketop Corporation, Asia Telecom Ltd., Pharm Control Ltd. Universal Seismic Associates Inc., Select American, and Cambridge Resources (collectively, the **"Corporate Respondents"**) I order:

i. pursuant to clause 2 of section 127(1) of the Act that all trading in the securities of the Corporate Respondents, whether direct or indirect, cease permanently;

ii. pursuant to clause 2.1 of section 127(1) of the Act that all acquisitions of the securities of the Corporate Respondents, whether direct or indirect, is prohibited permanently, and

iii. pursuant to clause 3 of section 127(1) of the Act that any exemptions contained in Ontario securities law do not apply to the Corporate Respondents permanently.

(b) against Individual Respondents I order:

i. pursuant to clause 2 of section 127(1) of the Act that trading in any securities by each of Khodjaiants and Dubinsky cease for a period of 15 years;

i. pursuant to clause 2.1 of section 127(1) of the Act that the acquisition of any securities by each of Khodjaiants and Dubinsky is prohibited for a period of 15 years;

ii. pursuant to clause 3 of section 127(1) of the Act that any exemptions contained in Ontario securities law do not apply to each of Khodjaiants and Dubinsky for a period of 15 years;

iii. pursuant to clause 6 of subsection 127(1) of the Act reprimanding each of Khodjaiants and Dubinsky;

iv. pursuant to clause 9 of section 127(1) of the Act requiring Khodjaiants to pay an administrative penalty of $100,000, and Dubinsky to pay an administrative penalty of $75,000, which shall be designated for the allocation or use by the Commission in accordance with subsections 3.4(2)(b)(i) or (ii) of the Act;

v. pursuant to clause 10 of subsection 127(1) of the Act that Khodjaiants and Dubinsky disgorge to the Commission the sum of $46,218.91 CAD in HSBC Cash Account 6Y-D17J-A and the sum of $1,016,518.79 USD in HSBC Cash Account 6Y-D 17J-B, for which they will be jointly and severally liable; which shall be designated for the allocation or use by the Commission in accordance with subsections 3.4(2)(b)(i) or (ii) of the Act;

vi. pursuant to clause 10 of section 127.1 of the Act that Khodjaiants and Dubinsky disgorge to the Commission the sum of $12,267.66 USD, for which they will be jointly and severally liable, which shall be designated for the allocation or use by the Commission in accordance with subsections 3.4(2)(b)(i) or (ii) of the Act;

vii. pursuant to section 127.1 of the Act requiring each of Khodjaiants and Dubinsky to pay $263,708.53 on account of the costs incurred in this matter, for which they shall be jointly and severally liable; and

viii. In the event that any of the payments set out in paragraphs (e), (f) and (g) are not made in full, the provisions of paragraphs (a), (b) and (c) shall continue in force until such payments are made in full without any limitation as to time period.

Dated at Toronto on this 14 day of January, 2014.

“Vern Krishna”

2.2.3 Ernst & Young LLP (Audits of Zungui Haixi Corporation) – s. 127 and 127.1

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

AND

IN THE MATTER OF
ERNST & YOUNG LLP
(AUDITS OF ZUNGUI HAIXI CORPORATION)

ORDER
(Sections 127 and 127.1)

WHEREAS on June 24, 2013 the Ontario Securities Commission (the **"Commission"**) issued a Notice of Hearing in relation to a Statement of Allegations filed by Staff of the Commission (**"Staff"**) pursuant to section 127 of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the **"Act"**) with respect to Ernst & Young LLP (the **"Respondent"**);

AND WHEREAS the Notice of Hearing stated that an initial hearing before the Commission would be held on July 15, 2013;

AND WHEREAS the Commission convened a hearing on July 15, 2013 and the matter was adjourned to a confidential pre-hearing conference to be held on September 30, 2013;

AND WHEREAS a confidential pre-hearing conference was held on September 30, 2013 and counsel for Staff and counsel for the Respondent both made submissions regarding the scheduling of the hearing on the merits (the "Merits Hearing");

AND WHEREAS on September 30, 2013, the Commission ordered that the Merits Hearing shall commence on May 1, 2015 and continue as directed by Order of the Commission, and also ordered that a further confidential pre-hearing shall be held on December 11, 2013 at 11:00 a.m.

AND WHEREAS on December 10, 2013, all parties consented to adjourn the confidential pre-hearing conference of December 11, 2013, and the Commission ordered that the matter be adjourned to a confidential pre-hearing conference to be held on February 13, 2014 at 10:00 a.m.;

AND WHEREAS on February 7, 2014, Staff and the Respondent agreed that Staff would serve on the Respondent any expert reports by November 3, 2014, that the Respondent would serve on Staff any expert reports by February 2, 2015, that Staff would serve on the Respondent any reply expert reports by March 2, 2015, that no additional matters needed to be raised at the pre-hearing conference scheduled for February 13, 2014, and that it would therefore not be necessary to convene the pre-hearing conference;

AND WHEREAS the Commission is of the view that it is in the public interest to make this order;

IT IS HEREBY ORDERED THAT:

1. The confidential pre-hearing conference scheduled for February 13, 2014 at 10:00 a.m. is vacated;

2. Staff shall serve any expert report(s) on the Respondent by November 3, 2014;

3. The Respondent shall serve any expert report(s) on Staff by February 2, 2015; and

4. Staff shall serve any expert report(s) in reply on the Respondent by March 2, 2015.

DATED at Toronto this 11th day of February, 2014.

"Mary G. Condon"

2.2.4 Canadian Derivatives Clearing Corporation – Fifth Variation to the Temporary Exemption Order – s. 144

Headnote

Application under section 144 of the *Securities Act* (Ontario) (OSA) to further vary a temporary order exempting Canadian Derivatives Clearing Corporation from the requirement in subsection 21.2(0.1) of the Act to be recognized as a clearing agency.

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 21.2(0.1), 144.

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

AND

IN THE MATTER OF
CANADIAN DERIVATIVES CLEARING CORPORATION
(CDCC)

FIFTH VARIATION TO THE
TEMPORARY EXEMPTION ORDER
(Section 144 of the Act)

WHEREAS the Ontario Securities Commission (Commission) issued an order (Temporary Exemption Order) dated February 15, 2011 pursuant to section 147 of the Act temporarily exempting CDCC from the requirement to be recognized as a clearing agency under subsection 21.2(0.1) of the Act;

AND WHEREAS the Commission issued an order dated February 14, 2012 pursuant to section 144 of the Act varying and restating the Temporary Exemption Order to extend CDCC's temporary exemption and amend its terms and conditions in Schedule "A" thereto;

AND WHEREAS the Commission issued an order dated February 26, 2013 pursuant to section 144 of the Act further varying and restating the Temporary Exemption Order to extend CDCC's temporary exemption and amend its terms and conditions in Schedule "A" thereto;

AND WHEREAS the Commission issued an order dated June 7, 2013 pursuant to section 144 of the Act further varying the Temporary Exemption Order to extend CDCC's temporary exemption;

AND WHEREAS the Commission issued an order dated October 8, 2013 pursuant to section 144 of the Act further varying the Temporary Exemption Order to extend CDCC's temporary exemption;

AND WHEREAS the Temporary Exemption Order, as varied and restated, will terminate on February 28, 2014 unless further extended by order of the Commission;

AND WHEREAS the Commission has received an application from CDCC pursuant to section 144 of the Act requesting that the Commission further vary the Temporary Exemption Order, as varied and restated, to extend CDCC's temporary exemption from the requirement to be recognized as a clearing agency pursuant to subsection 21.2(0.1) of the Act;

AND WHERAS the Commission has received certain representations from CDCC in connection with the application to further vary the Temporary Exemption Order, as varied and restated;

AND WHEREAS the Commission has considered these representations, CDCC's application, and other factors;

AND WHEREAS the Commission has determined that it is not prejudicial to the public interest to issue this order that further varies the Temporary Exemption Order, as varied and restated, to extend CDCC's temporary exemption from the requirement to be recognized as a clearing agency pursuant to subsection 21.2(0.1) of the Act;

IT IS ORDERED, pursuant to section 144 of the Act, that the Temporary Exemption Order, as varied and restated, be further varied by replacing the reference to "February 28, 2014" with a reference to "May 30, 2014."

DATED at Toronto, February 11, 2014.

"Catherine Bateman"

"James D. Carnwath"

2.2.5 First Uranium Corporation – s. 1(6) of the OBCA

Headnote

Filer deemed to cease to be offering its securities to the public under the OBCA.

Statutes Cited

Business Corporations Act, R.S.O. 1990, c. B.16, as am., s. 1(6).

IN THE MATTER OF
THE BUSINESS CORPORATIONS ACT (ONTARIO),
R.S.O. 1990, c. B.16, AS AMENDED
(the OBCA)

AND

IN THE MATTER OF
FIRST URANIUM CORPORATION
(the Applicant)

ORDER
(Subsection 1(6) of the OBCA)

UPON the application of the Applicant to the Ontario Securities Commission (the **Commission**) for an order pursuant to subsection 1(6) of the OBCA to be deemed to have ceased to be offering its securities to the public;

AND UPON the Applicant representing to the Commission that:

1. The Applicant is an "offering corporation" as defined in the OBCA, and has an authorized capital consisting of an unlimited number of units (**Units**). Each Unit is comprised of 77.3 Class A special shares and one class B common share.

2. The head office of the Applicant is located at 77 King Street West, Suite 400, Toronto, Ontario M5K 0A1.

3. On December 19, 2013, Algold Resources Ltd. (**Algold**) acquired all of the issued and outstanding securities of the Applicant by way of a plan of arrangement under the OBCA and became the sole beneficial holder of all of the Units.

4. As of the date of this decision, all of the outstanding securities of the Applicant, including debt securities, if any, which are beneficially owned, directly or indirectly, are held by the sole securityholder Algold.

5. The Units have been de-listed from the NEX board of the TSX Venture Exchange, effective as of the close of trading on December 20, 2013 and from the Johannesburg Stock Exchange as of the close of business on December 24, 2013.

6. No securities of the Applicant 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.

7. The Applicant is a reporting issuer, or the equivalent, in all of the jurisdictions in Canada, except for British Columbia, and is currently not in default of any of the applicable requirements under the legislation. The Applicant has applied for relief to cease to be a reporting issuer in all of the jurisdictions of Canada in which it is currently a reporting issuer (the **Reporting Issuer Relief Requested**).

8. The Applicant has no intention to seek public financing by way of an offering of securities.

9. Upon the grant of the Reporting Issuer Relief Requested, the Applicant will not be a reporting issuer or equivalent in any jurisdiction of Canada.

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

IT IS HEREBY ORDERED by the Commission pursuant to subsection 1(6) of the OBCA that the Applicant be deemed to have ceased to be offering its securities to the public for the purpose of the OBCA.

DATED January 31st , 2014.

"Edward Kerwin"
Commissioner
Ontario Securities Commission

"Vern Krishna"
Commissioner
Ontario Securities Commission

2.2.6 North American Financial Group Inc. et al. – ss. 127)7), 127(8)

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

AND

IN THE MATTER OF
NORTH AMERICAN FINANCIAL GROUP INC.,
NORTH AMERICAN CAPITAL INC.,
ALEXANDER FLAVIO ARCONTI AND
LUIGINO ARCONTI

ORDER
(Subsections 127(7) and 127(8) of the Securities Act)

WHEREAS on November 10, 2010, pursuant to subsections 127(1) and 127(5) of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "***Act***"), the Ontario Securities Commission (the "**Commission**") made a temporary order against North American Financial Group Inc. ("**NAFG**"), North American Capital Inc. ("**NAC**"), Alexander Flavio Arconti ("**Flavio**") and Luigino Arconti ("**Gino**") (collectively, the "**Respondents**");

AND WHEREAS the temporary order made by Commission Order on November 10, 2010 provides (the "**Temporary Order**"):

1. pursuant to clause 2 of subsection 127(1) of the *Act*, that all trading in the securities of NAFG and NAC shall cease;

2. pursuant to clause 2 of subsection 127(1) of the *Act*, that NAFG, NAC, Flavio and Gino cease trading in all securities; and

3. that pursuant to clause 3 of subsection 127(1) of the *Act*, that the exemptions contained in Ontario securities law do not apply to NAFG, NAC, Flavio or Gino;

AND WHEREAS the Commission ordered that the Temporary Order shall expire on the fifteenth day after its making unless extended by order of the Commission;

AND WHEREAS by Commission Order dated November 23, 2010, the Temporary Order was amended such that Flavio and Gino may trade in securities for their own accounts or their parents' accounts or for the accounts of their registered retirement savings plan or registered income fund (as defined in the *Income Tax Act* (Canada)) provided that they trade through accounts opened in their parents' names or either of their names only (the "**2010 Temporary Order**");

AND WHEREAS the 2010 Temporary Order was extended from time to time;

AND WHEREAS on December 28, 2011, the Commission issued a Notice of Hearing pursuant to sections 127 and 127.1 of the *Act*, in relation to a Statement of Allegations filed by Staff on the same day against the Respondents;

AND WHEREAS by Order dated March 25, 2011, the 2010 Temporary Order was amended to permit NAFG and its officers and directors to issue convertible debentures in accordance with a proposal made under the *Bankruptcy and Insolvency Act* (the "***BIA***") in the matter of NAFG (the "**2011 Temporary Order**");

AND WHEREAS the 2011 Temporary Order was extended from time to time;

AND WHEREAS by Order dated April 10, 2012, the 2011 Temporary Order was extended to July 10, 2012 and the hearing was adjourned to July 5, 2012;

AND WHEREAS on July 5, 2012, counsel for the Respondents advised the Commission that the Respondents consented to the extension of the 2011 Temporary Order;

AND WHEREAS on July 5, 2012, the Commission ordered that the 2011 Temporary Order be extended until the final disposition of this matter, including, if appropriate, any final determination with respect to sanctions and costs;

AND WHEREAS a hearing on the merits in this matter was held before the Commission on April 29 and 30, May 1-3, 6, 8-10, 22 and 23 and September 11, 2013;

AND WHEREAS following the hearing on the merits, the Commission issued its Reasons and Decision with respect to the merits on December 11, 2013 and ordered, amongst other things, that the hearing to determine sanctions and costs will be held on March 24, 2014 at 10:00 a.m.;

AND WHEREAS on January 6, 2013, Melotel Inc. ("**Melotel**") applied to the Commission, pursuant to section 144 of the *Act* (the "**Application**"), for a partial revocation of the 2011 Temporary Order to allow the holders of NAFG debentures an opportunity to vote on a bankruptcy proposal concerning the exchange of NAFG debentures for shares in Melotel (the "**Melotel Proposal**");

AND WHEREAS pursuant to the Melotel Proposal, all creditors of NAFG shall be issued shares in Melotel in exchange for debts owed to them by NAFG in varying quantities proportionate to the nature and amount of their debt;

AND WHEREAS the Application provides that NAFG will forward a copy of the Melotel Proposal to the Commission once it is finalized and ready for presentation to the investors of NAFG;

AND WHEREAS Staff opposes the Application and provided written submissions in support of its position, and counsel for Melotel provided further written submissions in response to Staff's submissions;

AND WHEREAS the Respondents did not provide any submissions on the Application;

AND WHEREAS on February 12, 2014, counsel for Melotel filed a copy of a proposal of NAFG made under subsections 50(2) and 62(1) of the *BIA*;

AND WHEREAS the Commission is of the opinion that it is in the public interest to make this Order;

IT IS ORDERED that the 2011 Temporary Order be amended to permit the Melotel Proposal to be put before NAFG's creditors to permit Melotel and the Trustee in Bankruptcy of NAFG to respond to inquiries from NAFG's creditors concerning the Melotel Proposal, and to permit the exchange of NAFG debt obligations for shares in Melotel in accordance with the terms of the Melotel Proposal once, and if, it is approved by NAFG's creditors and duly sanctioned by the Superior Court of Justice in accordance with the *BIA*.

DATED at Toronto this 13th day of February, 2014.

"James D. Carnwath"

2.2.7 Frederick Lawrence Marlatt, also known as Frederick Lawrence Mitschele and Michael Wallace Minor – ss. 127(1), 127(10)

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

AND

IN THE MATTER OF
FREDERICK LAWRENCE MARLATT,
also known as FREDERICK LAWRENCE MITSCHELE
and MICHAEL WALLACE MINOR

ORDER
(Subsections 127(1) and 127(10) of the Securities Act)

WHEREAS on December 11, 2013, the Ontario Securities Commission (the "**Commission**") issued a Notice of Hearing pursuant to sections 127(1) and 127(10) of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "**Act**") in respect of Frederick Lawrence Marlatt, also known as Frederick Lawrence Mitschele ("**Mitschele**"), and Michael Wallace Minor ("**Minor**") (together, the "**Respondents**");

AND WHEREAS on December 11, 2013, Staff of the Commission ("**Staff**") filed a Statement of Allegations in respect of the same matter;

AND WHEREAS on January 17, 2014, Staff appeared before the Commission and brought an application to convert this matter to a written hearing (the "**First Appearance**");

AND WHEREAS on January 17, 2014, Staff filed an affidavit of service sworn by Lee Crann, a Law Clerk with the Commission, which documented steps taken by Staff to serve the Respondents with the Notice of Hearing, Statement of Allegations and Staff's disclosure materials, and made submissions to the Commission;

AND WHEREAS the Respondents did not attend the First Appearance;

AND WHEREAS on January 17, 2014, the Commission ordered the hearing adjourned to February 13, 2014 at 2:00 p.m. to permit the Respondents time to object to Staff's application to convert this matter to a written hearing, and for Staff to provide the Respondents with information concerning the Legal Assistance Program;

AND WHEREAS on February 13, 2014, Staff filed an affidavit sworn by Lee Crann, a Law Clerk with the Commission, confirming service on the Respondents of the Commission's Order dated January 17, 2014, the Amended Notice of Hearing and the Amended Statement of Allegations, and the provision of information concerning the Legal Assistance Program to the Respondents;

AND WHEREAS on February 13, 2013, the Commission heard an application by Staff to convert this

matter to a written hearing, in accordance with Rule 11.5 of the Ontario Securities Commission *Rules of Procedure* (2012), 35 O.S.C.B. 10071, and section 5.1 of the *Statutory Powers Procedure Act*, R.S.O. 1990, c. S.22, as amended (the "**Second Appearance**");

AND WHEREAS the Respondents did not attend the Second Appearance;

AND WHEREAS the Commission is of the opinion that it is in the public interest to make this order;

IT IS HEREBY ORDERED THAT:

(a) Staff's application to proceed by way of written hearing is granted;

(b) Staff's materials in respect of the written hearing shall be filed on or before February 24, 2014;

(c) Staff are relieved from the requirement to provide the Respondents with any authorities upon which Staff relies that are contained within the Commission's Book of Authorities, and where Staff relies on any such authority, Staff shall provide the Respondents with written instructions on how to locate the Commission's Book of Authorities;

(d) The Respondents' responding materials, if any, shall be served and filed no later than March 17, 2014; and

(e) Staff's reply materials, if any, shall be served and filed no later than March 24, 2014.

DATED at Toronto this 13th day of February, 2014.

"Mary Condon"

2.2.8 Portfolio Capital Inc. et al.

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

AND

IN THE MATTER OF
PORTFOLIO CAPITAL INC., DAVID ROGERSON
and AMY HANNA-ROGERSON

ORDER

WHEREAS on March 25, 2013, the Ontario Securities Commission ("the Commission") issued a Notice of Hearing pursuant to sections 127 and 127.1 of the *Securities Act*, R.S.O. 1990 c. S.5, as amended (the "Act") in connection with a Statement of Allegations filed by Staff of the Commission ("Staff") on March 25, 2013 with respect to Portfolio Capital Inc. ("Portfolio Capital"), David Rogerson ("Rogerson") and Amy Hanna-Rogerson ("Hanna-Rogerson") (collectively, the "Respondents");

AND WHEREAS the Notice of Hearing set a hearing in this matter for April 17, 2013;

AND WHEREAS on April 17, 2013, Staff and counsel to Rogerson appeared before the Commission and no one appeared on behalf of Hanna-Rogerson or Portfolio Capital;

AND WHEREAS on April 17, 2013, the Commission ordered that a pre-hearing conference take place on May 27, 2013 at 9:00 a.m.;

AND WHEREAS on May 27, 2013, Staff and counsel to the Respondents appeared and made submissions before the Commission;

AND WHEREAS on May 27, 2013, the Commission ordered that a pre-hearing conference take place on June 24, 2013 at 9:00 a.m.;

AND WHEREAS on May 27, 2013, the parties agreed that at the pre-hearing conference scheduled for June 24, 2013 at 9:00 a.m., the parties would be prepared to set the following dates:

(a) a date in September 2013 for a pre-hearing conference, by which time the Respondents and Staff will have provided witness lists and disclosure to the other parties;

(b) a date in October 2013 for a further pre-hearing conference to prepare for the hearing on the merits; and

(c) dates in November 2013 for the hearing on the merits;

AND WHEREAS on June 4, 2013, Staff filed an Amended Statement of Allegations with respect to the Respondents;

AND WHEREAS on June 24, 2013, Staff appeared and made submissions and counsel to Rogerson appeared and made submissions on behalf of his client and on behalf of counsel to Hanna-Rogerson and Portfolio Capital;

AND WHEREAS on June 24, 2013, the Commission ordered that:

(a) Staff shall provide any additional disclosure to the Respondents by July 12, 2013;

(b) Staff shall provide its witness list and hearing briefs to the Respondents by September 12, 2013;

(c) the Respondents shall provide their witness lists and hearing briefs to Staff by September 25, 2013;

(d) the hearing be adjourned to a further pre-hearing conference to be held on September 27, 2013 at 10:00 a.m. to prepare for the hearing on the merits; and

(e) the hearing on the merits in this matter shall commence on November 4, 2013 at 10:00 a.m. and shall continue on November 6, 7, 8 and 11, 2013;

AND WHEREAS on June 26, 2013, Staff filed an Amended Amended Statement of Allegations with respect to the Respondents;

AND WHEREAS on September 27, 2013, Staff appeared and made submissions and counsel to Rogerson and Portfolio Capital appeared and made submissions on behalf of his clients and on behalf of counsel to Hanna-Rogerson;

AND WHEREAS on September 27, 2013, the Commission ordered that the hearing be adjourned to a further pre-hearing conference to be held on October 9, 2013 at 2:00 p.m.;

AND WHEREAS on October 9, 2013, Staff and counsel to the Respondents appeared and made submissions before the Commission;

AND WHEREAS on October 9, 2013, the Commission ordered that:

(a) the hearing dates of November 4, 6, 7 and 8, 2013 be vacated;

(b) the hearing on the merits in this matter shall commence on November 11, 2013 at 10:00 a.m. and shall continue on November 13, 14 and 15, 2013;

(c) the hearing be adjourned to a further pre-hearing conference to be held on October 17, 2013 at 2:00 p.m.;

(d) the motion brought by counsel to Rogerson and Portfolio Capital to adjourn the commencement date of November 11, 2013 for the hearing on the merits (the "Motion") would be heard immediately following the pre-hearing conference scheduled for October 17, 2013; and

(e) the Respondents shall be granted one last indulgence and shall provide their hearing briefs, will-say statements and witness list to Staff by October 29, 2013;

AND WHEREAS counsel to Rogerson and Portfolio Capital filed a Notice of Motion, dated October 15, 2013, and Staff filed the Affidavit of Stephanie Collins, sworn October 16, 2013, in relation to the Motion;

AND WHEREAS on October 17, 2013, Staff and counsel to the Respondents appeared and made submissions for a pre-hearing conference;

AND WHEREAS on October 17, 2013, following the pre-hearing conference, the Commission held a hearing with respect to the Motion, which Staff opposed and counsel to Hanna-Rogerson supported;

AND WHEREAS the Commission considered the factors to grant an adjournment set out in Rule 9.2 of the Commission's *Rules of Procedure* (2012), 35 O.S.C.B. 10071, along with the motion materials and submissions of the parties, and ordered that:

(a) the hearing on the merits scheduled to commence on November 11, 2013 will commence on February 10, 2014 and shall continue on February 12, 13, 14 and 18, 2014; and

(b) the hearing be adjourned to a further pre-hearing conference to be held on December 18, 2013 at 10:00 a.m.;

AND WHEREAS the Respondents failed to provide their hearing briefs, will-say statements and witness list to Staff by October 29, 2013, as ordered by the Commission on October 9, 2013;

AND WHEREAS on November 29, 2013, Staff and counsel to Rogerson, who also appeared as a representative for Hanna-Rogerson and Portfolio Capital, appeared and made submissions before the Commission at a confidential pre-hearing conference;

AND WHEREAS the Panel informed the parties that any documents that the Respondents wish to rely on at the hearing on the merits must be submitted by January 3, 2014, and that the Respondents would be precluded from submitting any further documents for the hearing on the merits after that date;

AND WHEREAS on November 29, 2013, the Commission ordered that:

(a) the Respondents shall provide their hearing briefs, will-say statements and witness list to Staff by 4:30 p.m. on January 3, 2014;

(b) the pre-hearing conference scheduled for December 18, 2013 at 10:00 a.m. be vacated; and

(c) the hearing be adjourned to a further pre-hearing conference to be held on January 10, 2014 at 10:00 a.m.;

AND WHEREAS on January 10, 2014, Staff and counsel to the Respondents appeared and made submissions before the Commission;

AND WHEREAS Staff and counsel to the Respondents consented to submit an agreed statement of facts by January 17, 2014, and the parties agreed that Staff would provide the Respondents with the particulars of its allegations in relation to subsection 126.1(b) of the Act by January 29, 2014;

AND WHEREAS on January 10, 2014, the Commission ordered that:

(a) an agreed statement of facts shall be submitted by the parties in this matter by January 17, 2014, and, in the event that an agreed statement of facts was not reached, the parties will communicate with the Registrar of the Office of the Secretary to schedule a further appearance in this matter; and

(b) Staff shall provide to the Respondents the particulars of its allegations in relation to subsection 126.1(b) of the Act by January 29, 2014;

AND WHEREAS Staff and the Respondents entered into an agreed statement of facts;

AND WHEREAS on January 28, 2014, the Commission received notice that the Respondents discharged their counsel and that the Respondents elected to act in person in respect of this matter;

AND WHEREAS on January 29, 2014, Staff served and filed the particulars of its allegations of securities fraud made against the Respondents;

AND WHEREAS the hearing on the merits commenced on February 10, 2014 and continued on February 12, 13, and 14, 2014;

AND WHEREAS the Commission is of the opinion that it is in the public interest to make this Order;

IT IS ORDERED that:

(a) The hearing date of February 18, 2014 is vacated;

(b) Staff shall serve and file its written closing submissions by March 14, 2014;

(c) The Respondents shall serve and file any written closing submissions by March 28, 2014; and

(d) If the Respondents serve and file written closing submissions, the hearing on the merits shall continue for the purpose of hearing oral closing submissions on a date and time to be set by the Office of the Secretary.

DATED at Toronto this 14th day of February, 2014.

"Christopher Portner"

2.2.9 Celestica Inc. – s. 104(2)(c)

Headnote

Clause 104(2)(c) – Issuer bid – relief from the formal issuer bid requirements in sections 93 to 99.1 of the Act – Issuer proposes to purchase up to an agreed number of its subordinate voting shares from a full service foreign bank branch under the Bank Act (Canada) pursuant to one or more program share repurchases – Issuer is currently engaged in the conduct of a normal course issuer bid through the facilities of the TSX in accordance with the TSX's normal course issuer bid rules found in sections 628 to 629.3 of Part VI of the TSX Company Manual – Issuer is unable to conduct the program share repurchase with the consent of the TSX in reliance upon the issuer bid exemption that is available pursuant to section 101.2(1) of the Act – no adverse economic impact on or prejudice to issuer or public shareholders – proposed purchases exempt from issuer bid requirements in sections 93 to 99.1 of the Act, subject to a number of conditions, including conditions that purchases by the bank comply with the normal course issuer bid rules.

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 93 to 99.1, 104(2)(c).

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

AND

IN THE MATTER OF
CELESTICA INC.

ORDER
(Section 104(2)(c))

UPON the application (the **Application**) of Celestica Inc. (the **Applicant**) to the Ontario Securities Commission (the **OSC** or **Commission**) for an order pursuant to section 104(2)(c) of the Act exempting the Applicant from the formal bid requirements of sections 93 to 99.1 of the Act (the **Issuer Bid Requirements**) in respect of the proposed purchase or purchases by the Applicant, each of up to an agreed number of subordinate voting shares of the Applicant (the **Subordinate Voting Shares**), from Citibank, N.A., a full service foreign bank branch under the *Bank Act* (Canada) (**Canada Branch**), pursuant to one or more program share repurchases (each, a **PSR**);

AND UPON the request of the Applicant that this Order and all materials related to the Application (collectively, the **Confidential Material**) be kept confidential and not be made public until the earlier of:

(a) the date on which the Applicant issues the press release described in paragraph 17 below;

(b) the date the Applicant advises the Commission that there is no longer any need for the Confidential Material to remain confidential; and

(c) the date that is 90 days from the date of this Order (the **Confidentiality Relief**);

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

AND UPON the Applicant (and Canada Branch in respect of paragraphs 6, 7, 19, 20, 21, 24, 37, 38 and 39 as they relate to Canada Branch) having represented to the Commission that:

1. The Applicant is a corporation incorporated under the laws of Ontario;

2. The head office of the Applicant is located in Toronto, Ontario;

3. The Applicant is authorized to issue an unlimited number of Subordinate Voting Shares which entitle the holder to one vote per Subordinate Voting Share, an unlimited number of multiple voting shares (the **Multiple Voting Shares**), which entitle the holder to 25 votes per Multiple Voting Share, and an unlimited number of preferred shares, issuable in series. As at January 21, 2014, 161,529,274 Subordinate Voting Shares, 18,946,368 Multiple Voting Shares and no preferred shares were issued and outstanding.

4. The Applicant is a reporting issuer in all provinces and territories of Canada (the **Jurisdictions**) and the Subordinate Voting Shares are listed for trading on the Toronto Stock Exchange (**TSX**) and the New York Stock Exchange (**NYSE**) under the symbol "CLS". The Applicant is not in default of any requirement of the securities legislation of the Jurisdictions.

5. To the best of the Applicant's knowledge, the "public float" (calculated in accordance with the TSX Rules (as defined below)) for its Subordinate Voting Shares as at January 21, 2014 consisted of approximately 117,919,811 Subordinate Voting Shares and the Subordinate Voting Shares are "highly liquid securities", as that term is defined in section 1.1 of OSC Rule 48-501 *Trading During Distributions, Formal Bids and Share Exchange Transactions* and section 1.1 of the Universal Market Integrity Rules.

6. Canada Branch is a full service foreign bank branch of Citibank, N.A. (CBNA) under the Bank Act (Canada). Canada Branch has its principal office located in Toronto, Ontario.

7. CBNA is a national banking association, chartered and existing under the laws of the United States. It is an authorized foreign bank under Part XII.I of the *Bank Act* (Canada) that is listed in Schedule III to the *Bank Act* (Canada). CBNA's head office is located in New York, N.Y.

8. The Applicant is currently engaged in the conduct of a normal course issuer bid (the **2013 NCIB**) for its Subordinate Voting Shares through the facilities of the TSX in accordance with the TSX's normal course issuer bid rules found in sections 628 to 629.3 of Part VI of the TSX Company Manual (the **TSX Rules**).

9. Pursuant to the TSX Rules, the Applicant has appointed a broker to make purchases on its behalf for purposes of its 2013 NCIB (the **Responsible Broker**).

10. The maximum number of Subordinate Voting Shares that the Applicant is permitted to repurchase under the 2013 NCIB will be reduced by the number of Subordinate Voting Shares purchased by any non-independent purchasing agent (a **Plan Trustee**) from time to time to fulfill requirements for the delivery of Subordinate Voting Shares under the Applicant's security-based compensation plans (**Plan Trustee Purchases**).

11. The 2013 NCIB is being conducted in reliance upon an exemption from the Issuer Bid Requirements that is available pursuant to section 101.2(1) of the Act and its equivalent in the securities legislation of the other Jurisdictions. Section 101.2(1) provides that an issuer bid that is made in the normal course through the facilities of a designated exchange is exempt from the formal bid requirements if the bid is made in accordance with the by-laws, rules, regulations and policies of that exchange. The OSC has recognized the TSX for purposes of section 101.2(1) of the Act.

12. The 2013 NCIB is also being conducted in the normal course on the NYSE and other permitted published markets (collectively with the NYSE, the **Other Published Markets**) in reliance upon an exemption from the Issuer Bid Requirements that is available pursuant to section 101.2(2) of the Act and its equivalent in the securities legislation of the other Jurisdictions (the **Other Published Markets Bid Requirements**). The Other Published Markets Bid Requirements (collectively with the TSX Rules, the **NCIB Rules**) provide that an issuer bid that is made in the normal course on a published market, other than a designated exchange, is exempt from the issuer bid requirements of the Jurisdictions if the bid is, among other requirements, for not more than 5% of the outstanding securities of a class of securities of the issuer and the aggregate number of securities acquired in reliance upon the exemption by the issuer and any person or company acting jointly or in concert with the issuer within any period of 12 months does not exceed 5% of the outstanding securities of that class at the beginning of the 12-month period.

13. In connection with implementing the 2013 NCIB, the Applicant filed a Notice of Intention to Make a Normal Course Issuer Bid (the **Notice**) with the TSX (which was accepted by the TSX) and issued a press release (the **Press Release**) describing the 2013 NCIB, in accordance with the TSX Rules. The Press Release also contained disclosure in connection with the Other Published Markets Bid Requirements including that the Applicant's purchases under the 2013 NCIB are expected to be made through the facilities of the NYSE and the TSX, or such other permitted means (including through further Other Published Markets), at prevailing market prices or as otherwise permitted.

14. Pursuant to the TSX Rules, the Applicant did not acquire any Subordinate Voting Shares on the TSX during the two day period following the later of the acceptance of the Notice by the TSX and the issuance of the Press Release and, pursuant to the Other Published Markets Bid Requirements, the Applicant did not acquire any Subordinate Voting Shares on the NYSE or any further Other Published Market during the five day period following the issuance of the Press Release.

15. The Applicant proposes to participate in one or more PSRs during its 2013 NCIB which will be governed by, and conducted in accordance with, the terms and conditions of Program Share Repurchase Agreements (each, a **PSR Agreement**) that will be entered into between the Applicant and Canada Branch prior to the commencement of each PSR and copies of which will be delivered by the Applicant to the OSC.

16. The Applicant is of the view that it will be able to purchase the Purchased Shares (as defined below) at a lower price than the price at which it would be able to purchase an equivalent quantity of Subordinate Voting Shares under the 2013 NCIB through the facilities of the TSX and on Other Published Markets and the Applicant is of the view that the purchase of the Purchased Shares pursuant to each PSR is in the best interests of the Applicant and constitutes a desirable use of the Applicant's funds.

17. Prior to the beginning of the first PSR under the 2013 NCIB, the Applicant will file a draft amended Notice (the **Amended Notice**) and a draft press release with the TSX that will describe the material

features of PSRs and disclose the Applicant's intention to participate in one or more PSRs during the 2013 NCIB. Once the draft Amended Notice and press release are in a form that is acceptable to the TSX, they will be filed with the TSX and the press release will be issued, by the Applicant, respectively, at least two clear trading days prior to the commencement of the first PSR under the 2013 NCIB.

18. Pursuant to each PSR Agreement, the Applicant will initiate a PSR by providing Canada Branch with an amount of money that is to be negotiated and agreed upon by the Applicant and Canada Branch (the Program Amount), and Canada Branch will then acquire Subordinate Voting Shares for its own account.

19. Canada Branch will retain the services of ITG Canada Corp. (**ITG Canada**) to acquire Subordinate Voting Shares on its behalf through the facilities of both the TSX and on the Other Published Markets. All Subordinate Voting Shares that are acquired on the Other Published Markets in the U.S. will be acquired by ITG Canada through ITG Inc. (**ITG**), which will act as agent for ITG Canada in respect of all such trading activity.

20. ITG Canada is registered as an investment dealer under the securities legislation of British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Québec, Nova Scotia and New Brunswick. It is also registered as a futures commission merchant under the *Commodity Futures Act* (Ontario), as a derivatives dealer under the *Derivatives Act* (Québec) and as dealer (futures commission merchant) under *The Commodity Futures Act* (Manitoba). ITG Canada is a member of the Investment Industry Regulatory Organization of Canada and it is a participating organization or member of the TSX, TSX Venture Exchange and Canadian Securities Exchange. Its head office is located in Toronto, Ontario.

21. ITG is an affiliate of ITG Canada and an indirect wholly-owned subsidiary of the ultimate parent of ITG Canada. ITG carries on the business of a broker-dealer in the United States. It is registered as a broker-dealer with the United States Securities and Exchange Commission and it is a member of the Financial Industry Regulatory Authority. Its head office is located in New York, NY.

22. Each PSR Agreement will provide that all Subordinate Voting Shares of the Applicant that are acquired by, or on behalf of, Canada Branch pursuant to the applicable PSR, including in connection with any hedging activities of Canada Branch, must be acquired by it, or on its behalf, in accordance with the NCIB Rules that are applicable to the 2013 NCIB, including TSX Staff Notice 2012-030 dated June 8, 2012, provided that:

    (a) the aggregate gross number of Subordinate Voting Shares that may be acquired by, or on behalf of, Canada Branch pursuant to the applicable PSR, including in connection with any hedging activities of Canada Branch, shall not be bound by the maximum annual aggregate limits that are imposed upon the 2013 NCIB in accordance with the NCIB Rules (including, for greater certainty, in accordance with the TSX Rules, as well as the Other Published Markets Bid Requirements); and

    (b) the aggregate gross number of Subordinate Voting Shares that may be acquired on the TSX and all Other Published Markets on any trading day by, or on behalf of, Canada Branch pursuant to the applicable PSR, including in connection with any hedging activities of Canada Branch, may not exceed the maximum daily limit that is imposed upon the 2013 NCIB pursuant to the TSX Rules determined with reference to an average daily trading volume that is based on the trading volume on the TSX and all Other Published Markets in Canada rather than being limited to the trading volume on the TSX only, provided that Canada Branch may rely on the block purchase exception to the maximum daily limit which is contemplated by the TSX Rules (the **Modified Maximum Daily Limit**).

23. Each PSR Agreement will provide that the aggregate gross number of Subordinate Voting Shares that may be sold on the TSX and all Other Published Markets on any trading day by, or on behalf of, Canada Branch pursuant to the applicable PSR, including in connection with any hedging activities of Canada Branch, may not exceed the Modified Maximum Daily Limit.

24. All Subordinate Voting Shares of the Applicant acquired by, or on behalf of, Canada Branch pursuant to the applicable PSR will not be voted on any matters pursuant to which a holder of a Subordinate Voting Share is entitled to vote.

25. Each PSR Agreement will prohibit Canada Branch from delivering a number of Purchased Shares (as defined below) purchased by or on behalf of Canada Branch on the Other Published Markets which exceeds a predetermined quantity of Subordinate Voting Shares, which quantity will be equal to or less than, the lesser of (a) the number of Subordinate Voting Shares remaining eligible for purchase pursuant to the Other Published

Markets Bid Requirements, calculated as at the date of the PSR Agreement and (b) the Maximum Number of Shares (as defined below).

26. Each PSR Agreement will (a) prohibit the Applicant from purchasing any Subordinate Voting Shares, (b) require the Applicant to prohibit the Responsible Broker from acquiring any Subordinate Voting Shares on behalf of the Applicant, and (c) require the Applicant to prohibit the Plan Trustee from undertaking any Plan Trustee Purchases, in each case, during the conduct of the applicable PSR by Canada Branch and ITG Canada.

27. Each PSR will have a term that will be negotiated and agreed upon by the Applicant and Canada Branch (the **PSR Term**) in the applicable PSR Agreement.

28. Pursuant to the applicable PSR Agreement, upon the completion of a PSR, Canada Branch will be required to deliver a number of Subordinate Voting Shares to the Applicant that is equal to the least of the following:

    (a) a number of Subordinate Voting Shares (the **Program Number of Shares**) that is equal to the Program Amount divided by the arithmetic average of the daily volume-weighted average price (**VWAP**) of the Subordinate Voting Shares during the PSR less a discount (the **Discounted VWAP**) to be negotiated and agreed upon by the Applicant and Canada Branch;

    (b) a predetermined quantity of Subordinate Voting Shares (the **Maximum Number of Shares**) which will be equal to, or less than, the maximum number of Subordinate Voting Shares that the Applicant is entitled to acquire prior to the completion of the 2013 NCIB in accordance with the NCIB Rules, calculated as at the date of the commencement of the PSR Term; and

    (c) the number of Subordinate Voting Shares that have actually been acquired by Canada Branch (the **Acquired Number of Shares**) upon the occurrence of an early termination event or an event of default pursuant to the PSR Agreement.

29. Each PSR will conclude upon the first to occur of one of the following events:

    (a) delivery by Canada Branch of the lesser of the Program Number of Shares and the Maximum Number of Shares at the end of the PSR Term;

    (b) delivery by Canada Branch of the lesser of the Program Number of Shares and the Maximum Number of Shares, following notification to the Applicant of its intention to effect such delivery and terminate the PSR prior to the end of the PSR Term; or

    (c) delivery by Canada Branch of the lesser of the Acquired Number of Shares and the Maximum Number of Shares, upon the occurrence of an early termination event or an event of default pursuant to the applicable PSR Agreement.

30. The purchase price that will be payable by the Applicant for either the Program Number of Shares or the Maximum Number of Shares that are delivered by Canada Branch in the manner contemplated by subparagraphs 29(a) and 29(b) hereof will be the Discounted VWAP per Subordinate Voting Share.

31. The purchase price that will be payable by the Applicant for either the Acquired Number of Shares or the Maximum Number of Shares that are delivered by Canada Branch in the manner contemplated by subparagraph 29(c) hereof will be the VWAP per Subordinate Voting Share.

32. Pursuant to each PSR Agreement, if there is any Program Amount remaining following the delivery of the Maximum Number of Shares or the Acquired Number of Shares from Canada Branch to the Applicant (the **Remaining Program Amount**), Canada Branch will deliver the Remaining Program Amount to the Applicant.

33. Immediately following the completion of a PSR, the Applicant will report its purchase of the Program Number of Shares, Maximum Number of Shares or Acquired Number of Shares (in any event, the **Purchased Shares**), as the case may be, to the TSX and it will also issue a press release disclosing, among other things, the number of Purchased Shares acquired by it pursuant to the PSR and the purchase price paid for the Purchased Shares.

34. Each Purchased Share will be cancelled upon delivery to the Applicant.

35. Although it would be possible for the transfer of the Purchased Shares to the Applicant to be conducted as a block trade pursuant to the 2013 NCIB if the Discounted VWAP or VWAP, as the case may be, for the Purchased Shares is between the 'bid' and 'ask' prices for the Subordinate Voting Shares at the time the Purchased Shares are delivered to the Applicant by Canada Branch following the completion of a PSR, this outcome is uncertain at the time that the PSR begins. In any event, because the Applicant's

acquisition of the Purchased Shares is funded by the Applicant's advance of the Program Amount to Canada Branch prior to the commencement of the PSR, the transfer of the Purchased Shares to the Applicant by Canada Branch will not be conducted with reference to the then-current market price of the Subordinate Voting Shares and will not be representative of market forces.

36. The entering into of each PSR Agreement, the purchase of the Purchased Shares by Canada Branch and the delivery of the Purchased Shares to the Applicant will not adversely affect the Applicant or the rights of any of the Applicant's securityholders and it will not affect materially the control of the Applicant.

37. Canada Branch is at arm's length to the Applicant and it has advised the Applicant that CBNA does not beneficially own, either directly or indirectly, any Subordinate Voting Shares.

38. At the time that the Applicant and Canada Branch enter into each PSR Agreement, each of them will be required to represent to the other, pursuant to the PSR Agreement, that it has no knowledge of a "material fact" or "material change", as such terms are defined in the Act, with respect to the Applicant or the Subordinate Voting Shares that has not been generally disclosed (**Undisclosed Information**).

39. Canada Branch has advised the Applicant that it will establish policies and procedures that will be designed to ensure conduct of each PSR in accordance with, among other things, the applicable PSR Agreement and to preclude those persons responsible for administering each PSR from acquiring any Undisclosed Information during the PSR and Canada Branch will enter into a related agreement with ITG Canada (the **ITG Agreement**) requiring ITG Canada to, among other things, establish similar policies and procedures to ensure compliance with this Order when acquiring Subordinate Voting Shares on behalf of Canada Branch during a PSR.

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

IT IS ORDERED pursuant to section 104(2)(c) of the Act that the Applicant be exempt from the Issuer Bid Requirements in respect of the entering into of each PSR Agreement and the delivery of the Purchased Shares by Canada Branch to the Applicant pursuant to each PSR conducted during the 2013 NCIB provided that:

(a) the Applicant may not participate in multiple PSRs at the same time;

(b) at least two clear trading days prior to the commencement of the first PSR under the 2013 NCIB, the Applicant will file an Amended Notice in a form acceptable to the TSX that will discuss, among other things, the material features of PSRs and disclose the Applicant's intention to participate in one or more PSRs during the 2013 NCIB and it will issue a related press release;

(c) each PSR Agreement and the ITG Agreement will require Canada Branch and ITG Canada, respectively, to abide by the NCIB Rules applicable to the 2013 NCIB, including TSX Staff Notice 2012-030 dated June 8, 2012, when acquiring Subordinate Voting Shares for, and on behalf of, Canada Branch pursuant to the applicable PSR, including in connection with any hedging activities subject to paragraph 22 hereof;

(d) each PSR Agreement will provide that the aggregate gross number of Subordinate Voting Shares that may be sold on the TSX and all Other Published Markets on any trading day by, or on behalf of, Canada Branch pursuant to the applicable PSR, including in connection with any hedging activities, may not exceed the Modified Maximum Daily Limit;

(e) each PSR Agreement and the ITG Agreement will require Canada Branch and ITG Canada, respectively, to maintain records of all purchases and sales of Subordinate Voting Shares that are made by, or on behalf of, Canada Branch pursuant to each PSR, including purchases and sales made in connection with any hedging activities, that will be available to the Commission and the Investment Industry Regulatory Organization of Canada upon request;

(f) the Purchased Shares will be taken into account by the Applicant when calculating the maximum annual aggregate limits that are imposed upon the 2013 NCIB in accordance with the TSX Rules and those Purchased Shares that were purchased by or on behalf of Canada Branch on the Other Published Markets will be taken into account by the Applicant when calculating the maximum aggregate limits that are imposed upon the Applicant in accordance with the Other Published Markets Bid Requirements;

(g) each PSR Agreement will (i) prohibit the Applicant from purchasing any Subordinate Voting Shares, (ii) require the Applicant to prohibit the Responsible

Broker from acquiring any Subordinate Voting Shares on behalf of the Applicant, and (iii) require the Applicant to prohibit the Plan Trustee from undertaking any Plan Trustee Purchases, in each case, during the conduct of the PSR by Canada Branch and ITG Canada;

(h) the Applicant will refrain from conducting a block trade in accordance with the TSX Rules during the calendar week it completes each acquisition of Purchased Shares and may not make any further purchases pursuant to the 2013 NCIB for the remainder of the calendar day on which it completes an acquisition of Purchased Shares;

(i) each purchase made by or on behalf of Canada Branch through the facilities of the TSX or on an Other Published Market in Canada, pursuant to each PSR, shall be marked with such designation as would be required by the applicable marketplace and UMIR for a trade made by an agent on behalf the Applicant;

(j) at the time each PSR Agreement is entered into by the Applicant and Canada Branch, the Subordinate Voting Shares are "highly liquid securities", as that term is defined in section 1.1 of OSC Rule 48-501 *Trading During Distributions, Formal Bids and Share Exchange Transactions* and section 1.1 of the Universal Market Integrity Rules.

(k) at the time each PSR Agreement is entered into by the Applicant and Canada Branch, neither the Applicant nor Canada Branch will have knowledge of any Undisclosed Information; and

(l) immediately following its receipt of the Purchased Shares from Canada Branch following the completion of each PSR, the Applicant will report same to the TSX and issue a press release disclosing, among other things, the number of Purchased Shares acquired pursuant to the PSR and purchase price paid for the Purchased Shares.

IT IS FURTHER ORDERED that the Confidentiality Relief is granted.

February 11, 2014

"James Turner"
Vice-Chair
Ontario Securities Commission

"Judith Robertson"
Commissioner
Ontario Securities Commission

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
Far City Mining Limited	06 Feb 14	18 Feb 14	18 Feb 14	
Pacific Orient Capital Inc.	12 Feb 14	24 Feb 14		
Premier Diagnostic Health Services Inc.	13 Feb 14	25 Feb 14		
Railtown Capital Corp.	14 Feb 14	26 Feb 14		
Solid Gold Resources Corp.	06 Feb 14	18 Feb 14	18 Feb 14	
Strike Minerals Inc.	12 Feb 14	24 Feb 14		

4.2.1 Temporary, Permanent & Rescinding Management 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
Innovative Composites International Inc.	07 Feb 14	19 Feb 14		21 Feb 14	
NTG Clarity Networks Inc.	14 Feb 14	26 Feb 14			
Penfold Capital Acquisition IV Corporation	05 Feb 14	18 Feb 14	18 Feb 14		
Strike Minerals Inc.	19 Sept 13	01 Oct 13	01 Oct 13	12 Feb 14	
Strike Minerals Inc.[1]	18 Nov 13	29 Nov 13	29 Nov 13	12 Feb 14	

[1] New respondent was added to the MCTO against Strike Minerals Inc.

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
Innovative Composites International Inc.	07 Feb 14	19 Feb 14		21 Feb 14	
NTG Clarity Networks Inc.	14 Feb 14	26 Feb 14			
Penfold Capital Acquisition IV Corporation	05 Feb 14	18 Feb 14	18 Feb 14		

Company Name	Date of Order or Temporary Order	Date of Hearing	Date of Permanent Order	Date of Lapse/ Expire	Date of Issuer Temporary Order
Stans Energy Corp.	09 Dec 13	20 Dec 13	20 Dec 13		
Stans Energy Corp.[1]	30 Jan 14	11 Feb 14	11 Feb 14		
Strike Minerals Inc.	19 Sept 13	01 Oct 13	01 Oct 13	12 Feb 14	
Strike Minerals Inc.[2]	18 Nov 13	29 Nov 13	29 Nov 13	12 Feb 14	

Note:

[1] New respondent was added to the MCTO against Stans Energy Corp.

[2] New respondent was added to the MCTO against Strike Minerals Inc.

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 8

Notice of Exempt Financings

REPORTS OF TRADES SUBMITTED ON FORMS 45-16F1 AND 45-501F1

Transaction Date	No of Purchasers	Issuer/Security	Total Purchase Price ($)	No of Securities Distributed
01/21/2014	3	2039299 Ontario Inc. - Notes	3,511,040.00	3.00
01/17/2014	4	6-Star Founders Corporation - Common Shares	200,000.00	3,645.00
01/31/2013 to 12/31/2013	15	ABC American Value Fund - Units	634,275.88	85,105.72
01/31/2013 to 12/31/2013	10	ABC Dirt Cheap Stock Fund - Trust Units	7,849,946.98	778,732.81
01/31/2013 to 12/31/2013	34	ABC Fully Managed Fund - Trust Units	633,287.23	70,126.29
01/31/2013 to 12/31/2013	410	ABC Fundamental Value Fund - Trust Units	15,046,582.10	755,648.99
01/31/2013 to 12/31/2013	6	ABC North American Deep Value Fund - Units	9,213,300.64	1,144,681.69
01/01/2013 to 12/31/2013	4	Acadian Core International Equity Fund - Units	7,006,506.70	N/A
01/22/2014 to 01/31/2014	2	AdvisorStream Ltd. - Debentures	230,000.00	2.00
02/01/2013 to 12/01/2013	42	Agilith North American Diversified Fund LP - Units	11,389,000.00	-1.00
01/17/2013 to 12/31/2013	4	AHL Strategies PCC Limited - Common Shares	12,221,233.40	12,225,315.00
01/17/2014	65	Algonquin Power Co. - Notes	200,000,000.00	200,272.00
05/01/2013	1	Allard Growth Fund 2 - Units	49,104,210.00	4,313,284.00
08/30/2013	17	Amethyst Arbitrage Fund - Units	544,798.00	5,752.72
01/01/2013 to 12/31/2013	5	Analytic Global Low Volatility Equity Fund - Units	9,773,096.40	N/A
01/01/2013 to 12/31/2013	2	Analytic U.S. Low Volatility Equity Fund - Units	38,127,268.47	N/A
12/30/2013	3	Artemis U.S. Capital Appreciation Fund - Units	2,431,862.35	N/A
01/22/2014	1	Banque Federative Du Credit Mutuel - Notes	44,246,943.88	1.00
01/20/2014	2	Barclays Bank plc - Non-Flow Through Units	500,000.00	N/A
01/21/2014	1	BARCLAYS BANK PLC - Notes	600,000.00	0.00
01/29/2014 to 01/30/2014	4	BARCLAYS BANK PLC - Notes	200,000.00	0.00

Transaction Date	No of Purchasers	Issuer/Security	Total Purchase Price ($)	No of Securities Distributed
01/21/2014	2	Barclays Bank plc - Notes	1,000,000.00	N/A
01/27/2014 to 01/30/2014	5	BARCLAYS BANK PLC. - Notes	450,000.00	0.00
01/31/2014	9	Bentall Kennedy Prime Canadian Property Fund Ltd. (Formerly Westpen Properties Ltd.) - Common Shares	13,849,964.64	1,507,001.00
01/28/2014	1	BNP Paribas Arbitrage SNC - Certificates	600,653.60	4,000.00
01/27/2014 to 01/29/2014	3	BNY Trust Company of Canada - Notes	10,486,563.98	N/A
07/31/2013 to 12/31/2013	14	Bristol Gate US Dividend Growth Fund - Limited Partnership Units	6,853,053.00	N/A
01/01/2013 to 12/31/2013	4	B.S.P. Funds Canada Inc. - Units	5,250,000.00	N/A
01/15/2014	4	Calgary Scientific Inc. - Common Shares	711,250.00	189,667.00
02/07/2014	1	Canadian Imperial Bank of Commerce - Notes	2,000,000.00	20,000.00
01/31/2014	16	Canarc Resource Corp. - Units	900,000.00	18,000,000.00
01/24/2014	5	CannaMed Pharma Inc. - Units	2,100,000.00	2,100,000.00
01/02/2014	16	Capital Direct I Income Trust - Trust Units	499,210.00	49,921.00
01/16/2014	7	Carube Resources Inc. - Units	1,204,957.60	6,024,788.00
11/21/2013	4	Catch Resources Inc. - Common Shares	50,000.00	666,665.00
07/11/2013	3	Catch Resources Inc. - Common Shares	30,000.00	399,999.00
11/01/2013	2	Catch Resources Inc. - Common Shares	60,000.00	799,998.00
01/31/2014	4	Corse Energy Corp. - Special Warrants	615,000.00	615,000.00
01/06/2014	18	Cortez Gold Corp. - Units	1,102,500.00	5,512,500.00
01/10/2014	64	Cougar Minerals Corp. - Units	1,364,100.00	18,188,000.00
01/20/2014	6	Creative Wealth Monthly Pay Trust - Trust Units	97,500.00	46,307.00
02/05/2014	1	Critical Outcome Technologies Inc. - Common Shares	500,000.00	769,230.00
01/01/2013 to 12/31/2013	1	CRM U.S. All Cap Value Equity Fund - Units	89,464,033.50	N/A
01/01/2013 to 12/31/2013	472	Crystal Enhanced Mortgage Fund - Trust Units	3,924,574.60	164,126.30
01/01/2013 to 12/31/2013	251	Crystal Enlightened Resource And Precious Metals Fund - Trust Units	470,293.23	85,942.91
01/01/2013 to 12/31/2013	514	Crystal Wealth Strategic Yield Media Fund - Trust Units	9,069,475.54	897,076.27
01/23/2014	1	Cvent, Inc. - Common Shares	39,500.00	1,000.00

Transaction Date	No of Purchasers	Issuer/Security	Total Purchase Price ($)	No of Securities Distributed
01/03/2013 to 12/31/2013	52	Dean Knight Income Fund - Units	25,942,476.49	N/A
01/17/2013 to 12/31/2013	52	Deans Knight Equity Growth Fund - Units	11,025,924.90	N/A
01/08/2013 to 12/17/2013	18	Diversified Private Trust - Units	773,272.16	62,612.58
01/22/2014	3	EDF S.A. - Notes	21,945,144.00	N/A
01/01/2013 to 12/31/2013	4	Emerging Markets Equity- Canada Fund - Units	96,590,425.47	N/A
01/23/2014	1	EnerMotion Inc. - Preferred Shares	249,999.72	31,407.00
01/01/2013 to 12/31/2013	7	Equity International Investment Trust - Units	69,384,220.14	N/A
01/27/2014	186	Firm Capital Property Trust - Units	6,596,804.00	1,244,680.00
12/10/2013 to 12/11/2013	5	Fortress Capital Pointe 2013 Inc. - Loan Agreements	325,000.00	5.00
01/14/2014	2	Fortress Capital Pointe 2013 Inc. - Loan Agreements	100,000.00	2.00
01/20/2014	1	Fortress Capital Pointe 2013 Inc. - Loan Agreements	50,000.00	1.00
01/17/2014	3	Fortress Gotham 2011 Limited - Loan Agreements	200,000.00	3.00
01/16/2014 to 01/23/2014	1	Fuel Transfer Technologies Inc. - Common Shares	0.00	3,000.00
01/02/2013 to 12/02/2013	203	Fulcra Focused Yield Fund - Trust Units	13,206,942.15	N/A
02/06/2014	5	GeoNovus Minerals Corp. - Units	100,000.00	2,000,000.00
01/01/2013 to 12/31/2013	8	Global Intrepid- Canada Fund - Units	33,555,035.45	309,314.16
01/01/2013 to 12/31/2013	3	Glovista Emerging Markets Equity Fund - Units	27,575,986.43	N/A
01/31/2014	13	Gold Bullion Development Corp. - Units	760,635.00	15,212,700.00
01/27/2014	4	GRAND LAKE CAPITAL M ANAGEMENT INC. - N/A	250,000.00	0.00
12/31/2013	3	Gravitas Select Flow-Through Limited Partnership I - Limited Partnership Units	70,000.00	7,000.00
01/01/2013 to 12/31/2013	2	Greystone 15 Year Target Duration Fund - Units	1,295,715.08	115,414.03
01/01/2013 to 12/31/2013	2	Greystone 20 Plus Year Target Duration Fund - Units	2,995,742.80	267,928.00
01/01/2013 to 12/31/2013	2	Greystone 8 Year Target Duration Fund - Units	2,252,780.60	226,645.87
01/01/2013 to 12/31/2013	16	Greystone Balanced Fund - Units	60,786,985.69	3,366,733.37
01/01/2013 to	57	Greystone Canadian Equity Fund - Units	106,056,374.31	4,559,017.20

Transaction Date	No of Purchasers	Issuer/Security	Total Purchase Price ($)	No of Securities Distributed
12/31/2013				
01/01/0013 to 12/31/2013	17	Greystone Canadian Equity Income & Growth Fund - Units	13,728,237.27	534,699.38
01/01/2013 to 12/31/2013	55	Greystone Canadian Fixed Income Fund - Units	163,391,350.24	15,351,540.36
01/01/2013 to 12/31/2013	37	Greystone EAFE Plus Fund - Units	39,949,933.70	4,670,879.96
01/01/2013 to 12/31/2013	10	Greystone International Income & Growth Fund - Units	4,863,582.82	503,076.11
01/01/2013 to 12/31/2013	5	Greystone Long Bond Fund - Units	3,869,830.15	413,085.52
01/01/2013 to 12/31/2013	46	Greystone Money Market Fund - Units	1,523,473,029.44	152,347,302.94
01/01/2013 to 12/31/2013	28	Greystone Mortgage Fund - Units	231,255,420.00	21,131,207.53
01/01/2013 to 12/31/2013	2	Greystone Real Return Bond Fund - Units	1,445,000.00	164,330.92
01/01/2013 to 12/31/2013	47	Greystone US Equity Fund - Units	33,595,804.10	2,368,736.05
01/01/2013 to 12/31/2013	12	Greystone US Income & Growth Fund - Units	8,886,871.60	694,871.44
01/02/2013 to 12/16/2013	16	Growth & Income Diversified Private Trust - Units	306,638.26	27,342.99
04/01/2013 to 12/31/2013	646	Guardian Short Duration Bond Fund - Units	17,948,626.77	N/A
05/27/2013 to 12/31/2013	76	Guardian Strategic Income Fund - Units	8,682,988.42	N/A
01/31/2014	109	Harbour First Mortgage Investment Trust - Trust Units	6,713,000.00	67,130.00
01/24/2014	5	Harte Gold Corp. - Units	180,000.00	3,600,000.00
01/22/2014	50	Horizon Petroleum plc - Common Shares	2,000,000.00	16,666,667.00
01/28/2014	3	Hortican Inc. - Common Shares	180,000.50	120,000.00
01/01/2013 to 12/01/2013	12	Humber Global Opportunity Fund - Units	1,558,800.00	N/A
01/01/2013 to 12/31/2013	16	I3 Canadian Alternative Strategy Fund - Units	6,497,834.13	637,879.94
01/01/2013 to 12/31/2013	86	I3 Canadian Equity Fund - Units	15,568,351.01	1,343,764.84
01/01/2013 to 12/31/2013	85	I3 Fixed Income Fund - Units	43,245,776.03	4,306,743.59
01/01/2013 to 12/31/2013	108	I3 Global Equity Fund - Units	34,395,419.05	3,075,291.76

Transaction Date	No of Purchasers	Issuer/Security	Total Purchase Price ($)	No of Securities Distributed
01/01/2013 to 12/31/2013	4	Integra Balanced Fund - Units	1,917,821.05	N/A
01/01/2013 to 12/31/2013	6	Integra Bond Fund - Units	16,660,728.93	N/A
01/01/2013 to 12/31/2013	2	Integra Canadian Fixed Income Plus Fund - Units	1,260,922.46	N/A
01/01/2013 to 12/31/2013	7	Integra Canadian Value Growth Fund - Units	6,983,170.71	N/A
01/01/2013 to 12/31/2013	7	Integra Conservative Allocation Fund - Units	1,582,229.27	N/A
01/01/2013 to 12/31/2013	2	Integra Diversified Fund - Units	40,098,592.06	N/A
01/01/2013 to 12/31/2013	6	Integra Emerging Markets Equity Fund - Units	7,171,746.93	N/A
01/01/2013 to 12/31/2013	7	Integra Equity Fund - Units	491,153.21	N/A
01/01/2013 to 12/31/2013	7	Integra Growth Allocation Fund - Units	234,051.42	N/A
01/01/2013 to 12/31/2013	5	Integra International Equity Fund - Units	1,246,014.84	N/A
01/01/2013 to 12/31/2013	3	Integra Newton Global Equity Fund - Units	3,372,959.99	N/A
01/01/2013 to 12/31/2013	7	Integra Strategic Allocation Fund - Units	126,962.76	N/A
01/01/2013 to 12/31/2013	7	Integra U.S. Value Growth Fund - Units	4,197,028.78	N/A
01/15/2014	3	JP Morgan Bank Canada - Non-Flow Through Units	809,900.00	N/A
01/27/2014	3	Keek Inc. - Notes	525,000.00	3.00
01/23/2014	3	Kerr Mines Inc. - Units	1,750,000.00	35,000,000.00
01/21/2014	4	LeoNovus Inc. - Units	2,231,000.00	9,700,000.00
03/01/2013 to 12/31/2013	12	Lightwater Nimble Fund - Units	4,093,474.57	N/A
01/03/2013 to 12/02/2013	8	Lincluden Private Trust - Units	445,623.81	39,556.91
01/01/2013 to 12/31/2013	4	Lincluden Short Term Investment Fund - Units	4,339,038.78	N/A
01/01/2013 to 12/31/2013	74	Lionscrest TailPro - US Equity Fund - Units	1,038,700.00	110,033.50
01/29/2014	1	Lower Mattagami Limited Partnership - Limited Partnership Interest	27,084,299.00	1.00
01/21/2014	1	LTP Financing Inc. - Bonds	20,000.00	20.00
01/31/2014	40	LX Ventures Inc. - Common Shares	2,397,998.08	3,746,872.00

Transaction Date	No of Purchasers	Issuer/Security	Total Purchase Price ($)	No of Securities Distributed
01/02/2014 to 01/06/2014	2	Mady Brookdale 2013 Inc. - Loan Agreements	75,000.00	2.00
12/18/2013	5	Mady Brookdale 2013 Inc. - Loan Agreements	430,000.00	5.00
01/14/2014 to 01/21/2014	14	Margaux Resources Ltd. - Common Shares	750,000.00	9,375,000.00
10/01/2012 to 09/30/2013	3	Marquest Credit Fund - Units	178,000.00	N/A
10/01/2012 to 09/30/2013	14	Marquest Focus Fund - Units	5,766.45	N/A
10/01/2012 to 09/30/2013	18	Marquest Income & Growth Fund - Units	619,304.17	N/A
10/01/2012 to 09/30/2013	16	Marquest Large Cap Fund - Units	71,679.78	N/A
10/01/2012 to 09/30/2013	16	Marquest Resource Fund - Units	50,530.00	N/A
01/04/2013 to 12/31/0013	12	Meritas Canadian Bond Fund - Units	88,272,784.94	8,918,200.56
01/04/2013 to 12/27/2013	6	Meritas International Equity Fund - Units	8,977,641.72	798,932.39
01/04/2013 to 12/31/2013	6	Meritas Jantzi Social Index Fund - Units	16,222,090.90	59,317,695.60
01/04/2013 to 12/27/2013	6	Meritas US Equity Fund - Units	11,046,776.76	1,293,514.96
01/22/2014	13	Minaurum Gold Inc. - Units	515,060.00	10,301,200.00
01/15/2014	5	Mission Ready Services Inc. - Units	99,000.00	396,000.00
01/01/2013 to 12/31/2013	139	Montrusco Bolton Balanced Fund - Units	826,934.73	55,648.51
01/01/2013 to 12/31/2013	1	Montrusco Bolton Canadian All Capitalization Equity Fund - Units	1,150,000.00	1,150,000.00
01/01/2013 to 12/31/2013	235	Montrusco Bolton Canadian Large Capitalization Equity Fund - Units	2,307,982.02	126,477.98
01/01/2013 to 12/31/2013	240	Montrusco Bolton Canadian Small Capitalization Equity Fund - Units	36,927,202.52	1,681,781.98
01/01/2013 to 12/31/2013	1	Montrusco Bolton EAFE Equity Fund - Units	311,500.00	45,509.00
01/01/2013 to 12/31/2013	93	Montrusco Bolton Equity Income Fund - Units	389,493.08	16,835.23
01/01/2013 to 12/31/2013	75	Montrusco Bolton Fixed Income Fund - Units	9,184,417.52	750,265.17
01/01/2013 to 12/31/2013	199	Montrusco Bolton Global Equity Fund - Units	16,163,037.06	976,026.09
01/01/2013 to 12/31/2013	56	Montrusco Bolton Money Market Fund - Units	7,025,369.51	702,536.95

Transaction Date	No of Purchasers	Issuer/Security	Total Purchase Price ($)	No of Securities Distributed
01/01/2013 to 12/31/2013	125	Montrusco Bolton Quantitative Canadian Equity Fund - Units	830,783.70	19,898.42
01/22/2014	33	MORRO BAY RESOURCES LTD. - Warrants	2,223,000.00	16,000,000.00
01/01/2013 to 12/31/2013	93	Motnrusco Bolton U.S. Equity Fund - Units	389,493.08	16,835.23
12/02/2013 to 12/16/2013	5	New Haven Mortgage Income Fund (1) Inc. - Common Shares	149,099.00	N/A
01/29/2014	63	Northern Blizzard Resources Inc. - Notes	473,790,000.00	63.00
01/01/2013 to 12/31/2013	2	Nuveen Asset Management Global Infrastructure Fund - Units	6,758,807.23	N/A
01/08/2014	2	Parker Drilling Company - Notes	1,393,716.00	1,290.00
01/06/2014	3	Pathfinder Metals Inc. - Common Shares	102,500.00	2,100,000.00
01/08/2013 to 12/31/2013	60	Pembroke Canadian Growth Fund - Units	25,016,237.11	1,771,077.22
01/08/2013 to 12/31/2013	178	Pembroke Corporate Bond Fund - Units	28,889,085.06	2,257,721.68
01/02/2013 to 12/31/2013	196	Pembroke Dividend Growth Fund - Units	37,791,967.60	2,909,935.94
01/31/2013 to 12/31/2013	17	Pembroke Long Short Fund - Units	5,022,989.52	439,173.67
01/02/2013 to 12/31/2013	117	Pembroke U.S. Growth Fund - Units	46,824,668.16	3,255,890.02
01/31/2013 to 12/31/2013	26	Penbrooke Opportunities Fund LP - Units	5,528,996.00	552,899.00
01/16/2014	3	Playfair Mining Ltd. - Loans	105,000.00	N/A
01/23/2014	10	Primeline Energy Holdings Inc. - Units	836,000.00	1,520,000.00
01/01/2013 to 12/31/2013	8	Principal High Quality Canadian Fixed Income Plus Fund - Units	30,645,746.33	N/A
01/01/2013 to 12/31/2013	3	Principal U.S. Value Equity Fund - Units	1,048,849.57	N/A
01/28/2014	3	Raiffeisen Bank International AG - Common Shares	1,366,969.80	31,497.00
01/28/2014	44	Rundell Creek 2014 Limited Partnership - Limited Partnership Units	14,100,000.00	282.00
01/01/2013 to 12/31/2013	2	Samlyn Offshore Ltd. - Units	253,172,919.00	240,380.10
01/17/2014	4	Sarissa Resources Inc. - Common Shares	81,600.00	5,100,000.00
08/16/2013 to 12/20/2013	12	Scotia Long Short Equity Fund - Units	3,085,336.00	303,685.00
10/01/2013	1	Sensato S2 Asia Pacific Fund L.P. - Limited Partnership Interest	30,998,140.11	N/A

Transaction Date	No of Purchasers	Issuer/Security	Total Purchase Price ($)	No of Securities Distributed
01/29/2014 to 01/31/2014	32	SIF Solar Energy Income & Growth Fund - Units	1,201,200.00	12,012.00
12/31/2013	3	Sionna Canadian Balanced Pooled Fund - Units	101,976.23	7,271.91
12/31/2013	6	Sionna Canadian Equity Pooled Fund - Units	52,824.18	2,962.17
06/18/2013 to 12/31/2013	2	Sionna Canadian Small Cap Fund - Units	277,454.82	26,702.79
06/18/2013 to 12/31/2013	2	Sionna Focused Canadian Value Fund - Units	277,999.61	27,288.73
10/01/2013 to 12/31/2013	1	Sionna Focused US Value Fund - Units	208,874.45	20,868.07
01/03/2013 to 12/31/2013	4	Sionna High Conviction Pooled Fund - Units	612,507.14	38,700.37
12/31/2013	2	Sionna Intrinsic Value 60 Fund - Units	10,585.56	1,193.50
01/09/2013	3	Summit Materials, LLC and Summit Materials Finance Corp. - Notes	2,537,099.44	2,150.00
12/17/2013 to 01/17/2014	51	Tesoro Minerals Corp. - Units	1,800,000.00	18,000,000.00
12/02/2013	1	The Cassiopeia Fund - Common Shares	10,644,000.00	34,831.07
02/28/2013 to 11/29/2013	98	Topaz Multi Strategy Fund - Units	1,994,308.00	26,078.68
01/21/2014	2	Tornado Medical Systems, Inc. - Debentures	425,000.00	2.00
07/16/2013 to 12/06/2013	20	Trez Capital Prime Trust - Trust Units	2,794,700.00	279,470.00
07/06/2013 to 12/02/2013	20	Trez Capital Yield Trust US - Trust Units	3,208,611.00	309,000.00
01/27/2014 to 01/31/2014	18	UBS AG, JERSEY BRANCH - Certificates	8,342,403.37	18.00
01/21/2014	1	UBS AG, London Branch - Notes	615,959.00	500.00
01/21/2014	1	UBS AG, London Branch - Notes	615,959.00	500.00
01/21/2014	4	UBS AG, LONDON BRANCH - Notes	550,000.00	0.00
01/16/2014 to 01/27/2014	155	Virtutone Networks Inc. - Units	3,999,548.50	13,331,798.00
01/02/2013 to 11/01/2013	7	Vision Opportunity Fund Limited Partnership II - Limited Partnership Units	625,571.00	170,618,035.00
01/24/2014	1	Vitality Re V Limited - Notes	11,338,550.00	1.00
01/21/2014	3	Workday, Inc. - Common Shares	145,862.10	6,000,000.00
01/24/2014	1	Woulfe Mining Corp. - Loans	350,000.00	1.00

Chapter 11

IPOs, New Issues and Secondary Financings

Issuer Name:
Atrium Mortgage Investment Corporation
Principal Regulator - Ontario
Type and Date:
Preliminary Short Form Prospectus dated February 12, 2014
NP 11-202 Receipt dated February 12, 2014
Offering Price and Description:
$30,000,000.00 - 6.25% Convertible Unsecured Subordinated Debentures due March 31, 2019
Price: $1,000 per Debenture
Underwriter(s) or Distributor(s):
TD Securities Inc.
RBC Dominion Securities Inc.
CIBC World Markets Inc.
BMO Nesbitt Burns Inc.
Scotia Capital Inc.
National Bank Financial Inc.
Canaccord Genuity Corp.
GMP Securities L.P.
Raymond James Ltd.
Industrial Alliance Securities Inc.
Dundee Securities Ltd.
Mackie Research Capital Corporation
Promoter(s):
-
Project #2161599

Issuer Name:
Boulevard Industrial Real Estate Investment Trust
Principal Regulator - Ontario
Type and Date:
Preliminary Long Form Prospectus dated February 10, 2014
NP 11-202 Receipt dated February 11, 2014
Offering Price and Description: Aggregate gross proceeds: $5,000,000
$1,500,000.00 - 8,823,530 Units
Price: $0.17 Per Unit
and
$3,500,000.00 - 7.0% Unsecured Convertible Debentures
Price: $1,000.00 per Convertible Debenture
Underwriter(s) or Distributor(s):
Laurentian Bank Securities Inc.
Promoter(s):
HHT Investments Inc.
Project #2162339

Issuer Name:
CI G5|20i 2034 Q2 Fund
Principal Regulator - Ontario
Type and Date:
Preliminary Simplified Prospectus dated February 14, 2014
NP 11-202 Receipt dated February 14, 2014
Offering Price and Description:
Class A, F and O Units
Underwriter(s) or Distributor(s):
-
Promoter(s):
CI Investments Inc.
Project #2163935

Issuer Name:
Cortex Business Solutions Inc.
Principal Regulator - Alberta
Type and Date:
Preliminary Short Form Prospectus dated February 13, 2014
NP 11-202 Receipt dated February 13, 2014
Offering Price and Description:
Up to $10,000,000.00 - * Common Shares
Price: $* per Common Share
Underwriter(s) or Distributor(s):
Cormark Securities Inc.
Wolverton Securities Ltd.
Promoter(s):
-
Project #2163445

Issuer Name:
Cortex Business Solutions Inc.
Principal Regulator - Alberta
Type and Date:
Amended and Restated Short Form Prospectus dated February 14, 2014
NP 11-202 Receipt dated
Offering Price and Description:
$8,000,000 - 80,000,000 Common Shares
Price: $0.10 per Common Share
Underwriter(s) or Distributor(s):
Cormark Securities Inc.
Wolverton Securities Ltd.
Promoter(s):
-
Project #2163445

Issuer Name:
JFT Strategies Fund
Principal Regulator - Ontario
Type and Date:
Preliminary Short Form Prospectus dated February 12, 2014
NP 11-202 Receipt dated February 12, 2014
Offering Price and Description:
Maximum: $50,000,000.00
Price: $* per Class A Unit and $ * per Class F Unit
Minimum Purchase: 200 Units
Underwriter(s) or Distributor(s):
CIBC World Markets Inc.
National Bank Financial Inc.
RBC Dominion Securities Inc.
TD Securities Inc.
Scotia Capital Inc.
BMO Nesbitt Burns Inc.
GMP Securities L.P.
Canaccord Genuity Corp.
Raymond James Ltd.
Desjardins Securities Inc.
Promoter(s):
First Asset Investment Management Inc.
Project #2162970

Issuer Name:
Longview Oil Corp.
Principal Regulator - Alberta
Type and Date:
Preliminary Short Form Prospectus dated February 10, 2014
NP 11-202 Receipt dated February 11, 2014
Offering Price and Description:
$94,117,544.50 - 21,150,010 Common Shares
Price: $4.45 per Common Share
Underwriter(s) or Distributor(s):
RBC Dominion Securities Inc.
Firstenergy Capital Corp.
Scotia Capital Inc.
National Bank Financial Inc.
CIBC World Markets Inc.
TD Securities Inc.
Promoter(s):
-
Project #2161002

Issuer Name:
MDPIM Emerging Markets Equity Pool
Principal Regulator - Ontario
Type and Date:
Preliminary Simplified Prospectus dated February 11, 2014
NP 11-202 Receipt dated February 11, 2014
Offering Price and Description:
Series A and Series T units
Underwriter(s) or Distributor(s):
MD Management Limited
Promoter(s):
MD Physician Services Inc.
Project #2162524

Issuer Name:
Rogers Communications Inc.
Principal Regulator - Ontario
Type and Date:
Preliminary Base Shelf Prospectus dated February 14, 2014
NP 11-202 Receipt dated February 14, 2014
Offering Price and Description:
$4,000,000,000 - Debt Securities
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #2164014

Issuer Name:
Rogers Communications Inc.
Type and Date:
Preliminary Base Shelf Prospectus dated February 14, 2014
Receipted on February 14, 2014
Offering Price and Description:
US$4,000,000,000.00
Debt Securities
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #2164015

Issuer Name:
Series A, B, D, E, F, H and I Units of:
Capital International - Growth and Income
Capital International - Emerging Markets Total Opportunities
Capital International - Global Equity
Capital International - International Equity
Capital International - U.S. Equity
Series A, B, E, F, H and I Units of:
Capital International - Canadian Core Plus Fixed IncomePrincipal Regulator - Ontario
Type and Date:
Amended and Restated Simplified Prospectuses and Annual Information Form dated February 6, 2014 (the amended prospectus) amending and restating the Simplified Prospectuses and Annual Information Form dated June 13, 2013
NP 11-202 Receipt dated February 13, 2014
Offering Price and Description:
Series A, B, D, E, F, H and I units
Underwriter(s) or Distributor(s):
-
Promoter(s):
Capital International Asset Management (Canada) Inc.
Project #2060992

Issuer Name:
Cardiome Pharma Corp.
Principal Regulator - British Columbia
Type and Date:
Final Base Shelf Prospectus dated February 13, 2014
NP 11-202 Receipt dated February 13, 2014
Offering Price and Description:
U.S.$250,000,000.00
Common Shares
Preferred Shares
Debt Securities
Warrants
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #2159244

Issuer Name:
Dalradian Resources Inc.
Principal Regulator - Ontario
Type and Date:
Final Short Form Prospectus dated February 12, 2014
NP 11-202 Receipt dated February 12, 2014
Offering Price and Description:
$12,075,000.00
17,250,000 Units
Price: $1.00 per Ordinary Share
Underwriter(s) or Distributor(s):
CANACCORD GENUITY CORP.
CLARUS SECURITIES INC.
BEACON SECURITIES LIMITED
BMO NESBITT BURNS INC.
CORMARK SECURITIES INC.
DUNDEE SECURITIES LTD.
NATIONAL BANK FINANCIAL INC.
Promoter(s):
-
Project #2159305

Issuer Name:
Lydian International Limited
Principal Regulator - Ontario
Type and Date:
Final Short Form Prospectus dated February 10, 2014
NP 11-202 Receipt dated February 11, 2014
Offering Price and Description:
$15,000,000.00
15,000,000 Ordinary Shares
Price: $1.00 per Ordinary Share
Underwriter(s) or Distributor(s):
GMP Securities L.P.
Scotia Capital Inc.
BMO Nesbitt Burns Inc.
National Bank Financial Inc.
Promoter(s):
-
Project #2158348

Issuer Name:
Marret High Yield Bond Fund
Marret Short Duration High Yield Fund
Marret Strategic Yield Fund
Principal Regulator - Ontario
Type and Date:
Final Simplified Prospectuses dated February 13, 2014
NP 11-202 Receipt dated February 14, 2014
Offering Price and Description:
Class A, E, F, I and O units @ Net Asset Value
Underwriter(s) or Distributor(s):
-
Promoter(s):
CI Investments Inc.
Project #2153691

Issuer Name:
Tamarack Valley Energy Ltd.
Principal Regulator - Alberta
Type and Date:
Final Short Form Prospectus dated February 11, 2014
NP 11-202 Receipt dated February 11, 2014
Offering Price and Description:
$60,200,000.00
14,000,000 Common Shares at $4.30 Per Common Share
Underwriter(s) or Distributor(s):
Dundee Securities Ltd.
Clarus Securities Inc.
GMP Securities L.P.
National Bank Financial Inc.
Paradigm Capital Inc.
Peters & Co. Limited
Altacorp Capital Inc.
RBC Dominion Securities Inc.
Promoter(s):
-
Project #2160451

Issuer Name:
True Gold Mining Inc.
Principal Regulator - British Columbia
Type and Date:
Final Short Form Prospectus dated February 11, 2014
NP 11-202 Receipt dated February 11, 2014
Offering Price and Description:
$36,560,000.00
91,400,000 Units
Price $0.40 per Unit
Underwriter(s) or Distributor(s):
RBC DOMINION SECURITIES INC.
BMO NESBITT BURNS INC.
HAYWOOD SECURITIES INC.
NATIONAL BANK FINANCIAL INC.
CLARUS SECURITIES INC.
SCOTIA CAPITAL INC.
CORMARK SECURITIES INC.
PI FINANCIAL CORP.
Promoter(s):
-
Project #2158379

Issuer Name:
FÉRIQUE BALANCED GROWTH Fund
Principal Jurisdiction - Quebec
Type and Date:
Preliminary Simplified Prospectus, Annual Information Form and Fund Facts dated December 12, 2013
Withdrawn on February 11, 2014
Offering Price and Description:
Mutual Fund Trust Units
Underwriter(s) or Distributor(s):
Services D'Investissement Ferique
Promoter(s):
Jacques Lapare
Lisa Bourassa
Project #2146615

Chapter 12

Registrations

12.1.1 Registrants

Type	Company	Category of Registration	Effective Date
Amalgamation	Edgecrest Capital Corporation and Stonecap Securities Inc. To Form: Edgecrest Capital Corporation	Investment Dealer	February 12, 2014
Consent to Suspension (Pending Surrender)	Boswell Capital Corporation	Exempt Market Dealer	February 13, 2014
Voluntary Surrender of Registration	GRS Partners Capital Management Inc.	Portfolio Manager	February 13, 2014

This page intentionally left blank

Chapter 13

SROs, Marketplaces and Clearing Agencies

13.1 SROs

13.1.1. IIROC – Notice of Withdrawal – Amendments Respecting Trading in US OTC Issuers

INVESTMENT INDUSTRY REGULATORY ORGANIZATION OF CANADA (IIROC)

AMENDMENTS RESPECTING TRADING IN U.S. OVER-THE-COUNTER ISSUERS

NOTICE OF WITHDRAWAL

IIROC has published a Notice withdrawing a rule proposal relating to IIROC Dealer Member Rule 1300.1 concerning trading in securities of U.S. OTC issuers. The amendments were published for comment on May 22, 2009. See IIROC Rules Notice – Request for Comments – *Trading in Securities of U.S. OTC Issuers – Proposed Amendments to Dealer Member Rule 1300.1* (2009) 32 OSCB 4312.

A copy of the IIROC Notice stating the reasons for the withdrawal is published on our website at www.osc.gov.on.ca.

13.1.2 IIROC – Notice of Withdrawal – Proposed Financial Planning Rule

INVESTMENT INDUSTRY REGULATORY ORGANIZATION OF CANADA

PROPOSED FINANCIAL PLANNING RULE

NOTICE OF WITHDRAWAL

IIROC has published a Notice withdrawing a proposed new rule concerning financial planning. The proposed rule was published for comment on August 8, 2008. See IIROC Rules Notice – Request for Comments – *Proposed Financial Planning Rule* (2008) 31 OSCB 7859.

A copy of the IIROC Notice stating the reasons for the withdrawal is published on our website at www.osc.gov.on.ca.

13.1.3 IIROC – Notice of Withdrawal – Revisions to the Definition of "Securities Related Activities"

INVESTMENT INDUSTRY REGULATORY ORGANIZATION OF CANADA

REVISIONS TO THE DEFINITION OF "SECURITIES RELATED ACTIVITIES"

NOTICE OF WITHDRAWAL

IIROC has published a Notice withdrawing a proposal to revise the definition of "Securities Related Activities" set forth in Dealer Member Rule 1.1, certain related amendments to Dealer Member Rule 39 and draft guidance concerning these rules. The proposal was published for comment on April 24, 2009. See IIROC Rules Notice – Request for Comments – *Revisions to the Definition of "Securities Related Activities"* (2009) 32 OSCB 3567.

A copy of the IIROC Notice stating the reasons for the withdrawal is published on our website at www.osc.gov.on.ca.

13.1.4 IIROC – OSC Staff Notice of Request for Comment – Proposed Plain Language Rule 9600- Compliance Fees

OSC STAFF NOTICE OF REQUEST FOR COMMENT

THE INVESTMENT INDUSTRY REGULATORY ORGANIZATION OF CANADA (IIROC)

PROPOSED PLAIN LANGUAGE RULE 9600-COMPLIANCE FEES

IIROC is publishing for public comment Proposed Plain Language Rule 9600 – Compliance Fees. The Proposed Rule was originally published for comment on March 20, 2012. On September 12, 2013, the Board of Directors of the Investment Industry Regulatory Organization of Canada ("IIROC") approved the publication for comment of revisions to the previously published proposed plain language rules 9600 *Compliance Fees* that will exclude the provisions relating to compliance fees (the "proposed amendments"). The objective is to eliminate unnecessary rule provisions and redundancy in the IIROC rules, and to ensure that IIROC rules reflect current IIROC practices.

A copy of the IIROC Notice including the amended Proposed Rule is published on our website at www.osc.gov.on.ca.

13.3 Clearing Agencies

13.3.1 Canadian Derivatives Clearing Corporation – Notice of Commission Order – Variation to the Temporary Exemption Order – s. 144

CANADIAN DERIVATIVES CLEARING CORPORATION (CDCC)

VARIATION TO THE TEMPORARY EXEMPTION ORDER

(SECTION 144 OF THE *SECURITIES ACT* (Ontario))

NOTICE OF COMMISSION ORDER

On February 11, 2014 the Commission granted CDCC an order (Variation Order) pursuant to section 144 of the *Securities Act* (Ontario) (Act) further varying a temporary exemption order (Temporary Exemption Order) dated February 15, 2011, as varied and restated by the Commission pursuant to section 144 of the Act on February 14, 2012, February 26, 2013, June 7, 2013 and October 8, 2013. The Temporary Exemption Order exempts CDCC for an interim period from the requirement in subsection 21.2(0.1) of the Act to be recognized as a clearing agency. The Variation Order amends the Temporary Exemption Order (as varied and restated) by extending CDCC's temporary exemption until the earlier of (i) the date that the Commission renders a further order recognizing CDCC as a clearing agency under subsection 21.2 (0.1) of the Act or exempting it from the requirement to be recognized as a clearing agency under section 147 of the Act and (ii) May 30, 2014.

A copy of the Variation Order is published in Chapter 2 of this Bulletin.

13.3.2 OSC Notice and Request for Comment – Canadian Derivatives Clearing Corporation (CDCC) – Application for Recognition as a Clearing Agency

OSC NOTICE AND REQUEST FOR COMMENT

CANADIAN DERIVATIVES CLEARING CORPORATION

APPLICATION FOR RECOGNITION AS A CLEARING AGENCY

A. Background

Canadian Derivatives Clearing Corporation (CDCC) has applied (the Application) to the Commission for recognition as a clearing agency pursuant to subsection 21.2(0.1) of the *Securities Act* (Ontario) (OSA).

CDCC is the clearinghouse for trades in options, commodity futures contracts and commodity futures options that are listed or traded on the Bourse de Montreal Inc. (Bourse). CDCC also provides central counterparty clearing services for trades in certain over-the-counter equity options and Canadian and provincial government fixed income securities.

CDCC's head office and principal place of business are in Montréal. CDCC is regulated by the Québec Autorité des marchés financiers (AMF) and the Bank of Canada (BOC) and is recognized as a clearing agency by the British Columbia Securities Commission (BCSC).

In reviewing the Application, staff followed the process and assessed the Application against the criteria set out in OSC Staff Notice 24-702 *Regulatory Approach to Recognition and Exemption from Recognition of Clearing Agencies* (Staff Notice). In the Application, CDCC describes how it addresses each of the criteria set forth in the Staff Notice. The Application can be found on the OSC website.

B. Draft Order

Subject to comments received, staff propose to recommend to the Commission that it recognize CDCC with terms and conditions in the form of the proposed draft order attached as Appendix A to this Notice (Draft Order).

The terms and conditions in the Draft Order have been tailored to reflect the Commission's intention to generally focus its oversight of CDCC on certain aspects of CDCC's operations that would have a significant impact on Ontario capital markets and rely on the AMF for oversight of CDCC's clearing activities of Bourse trades. The Commission's regulatory oversight of CDCC would be undertaken in coordination and cooperation with the regulatory oversight by the AMF and BOC. Such coordination and cooperation is being formalized in a *Memorandum of Understanding Respecting the Oversight of Certain Clearing and Settlement Systems* (MOU) among the AMF, BCSC, BOC and OSC. Staff anticipate that the MOU will be signed by all parties shortly.

The Draft Order requires CDCC to comply with various terms and conditions, including relating to:

1. Regulation of CDCC
2. Governance
3. Access
4. Fees
5. CPSS-IOSCO standards
6. Risk controls
7. Rules
8. Financial viability
9. Systems capacity
10. Reporting obligations

C. Comment Process

The Commission is publishing for public comment the Application and Draft Order. We are seeking comment on all aspects of the Application and Draft Order.

You are asked to provide your comments in writing, via e-mail and delivered on or before **March 24, 2014** addressed to the attention of the Secretary of the Commission, Ontario Securities Commission, 20 Queen Street West, 22nd Floor, Toronto, Ontario, M5H 3S8, e-mail: comments@osc.gov.on.ca.

The confidentiality of submissions cannot be maintained as a summary of written comments received during the comment period will be published.

Questions may be referred to:

Maxime Paré
Senior Legal Counsel, Market Regulation
Tel.: 416-593-3650
mpare@osc.gov.on.ca

Aaron Ferguson
Clearing Specialist, Market Regulation
Tel: 416-593-3673
aferguson@osc.gov.on.ca

Jalil El Moussadek
Risk Specialist, Market Regulation
Tel: 416-204-8995
jelmoussadek@osc.gov.on.ca

APPENDIX A

[DRAFT ORDER]

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

AND

IN THE MATTER OF
THE CANADIAN DERIVATIVES CLEARING CORPORATION

ORDER
(Subsection 21.2(0.1) of the Act)

WHEREAS the Canadian Derivatives Clearing Corporation ("CDCC") has filed an application ("Application") with the Ontario Securities Commission ("Commission") requesting an order pursuant to subsection 21.2(0.1) of the Act recognizing CDCC as a clearing agency in Ontario;

AND WHEREAS on February 15, 2011, the Commission issued an order ("Temporary Exemption Order"), pursuant to section 147 of the Act, temporarily exempting CDCC from the requirement in subsection 21.2(0.1) of the Act to be recognized as a clearing agency;

AND WHEREAS on February 14, 2012, February 26, 2013, June 7, 2013, October 8, 2013 and February 11, 2014, the Commission issued orders to vary the Temporary Exemption Order, pursuant to Section 144 of the Act, to, among other things, extend the date of expiration of the Temporary Exemption Order;

AND WHEREAS the Temporary Exemption Order, as varied, provides that CDCC is exempted from the recognition requirement until the earlier of (i) the date the Commission renders a subsequent order recognizing CDCC as a clearing agency under subsection 21.2(0.1) of the Act or exempting it from the requirement to be recognized as a clearing agency under section 147 of the Act, and (ii) May 30, 2014, subject to the terms and conditions set forth in Schedule "A" of the Temporary Exemption Order, as varied;

AND WHEREAS the Temporary Exemption Order, as varied, will be replaced by this order and therefore be automatically revoked upon issuance of this order;

AND WHEREAS CDCC has represented the following facts to the Commission:

1. CDCC is incorporated under the *Canada Business Corporations Act* and has its registered office in Montréal, Québec;

2. Originating in 1975 as the clearing facility for the first Canadian equity options market, CDCC expanded its service offerings to the Canadian derivatives marketplace over time and acquired its current name in 1996;

3. CDCC currently offers central counterparty ("CCP") clearing services in Canada for:

    a. financially or physically settled interest rate and equity futures and options traded on the Bourse de Montréal Inc. (the "Bourse");

    b. financially or physically settled over-the-counter equity options; and

    c. fixed income transactions (the "Fixed Income CCP Service");

4. CDCC is wholly-owned by the Bourse;

5. The Bourse, in turn, is an indirect wholly-owned subsidiary of TMX Group Limited, a public company, the common shares of which are listed on Toronto Stock Exchange;

6. TMX Group Limited is formerly known as Maple Group Acquisition Corporation, which completed in September 2012 a multi-step transaction (the "Maple Transactions") to acquire all of the issued and outstanding voting securities of TMX Group Inc. and other entities operating marketplaces and clearing agencies in Canada;

7. As a result of the Maple Transactions, TMX Group Limited wholly owns indirectly both CDCC and CDS Clearing and Depository Services Inc. ("CDS"), a recognized clearing agency that operates the securities settlement system and central securities depository in Canada;

8. The Fixed Income CCP Service is a clearing service that was launched by CDCC on February 21, 2012;

9. The Fixed Income CCP Service currently provides CCP clearing services for bilaterally-traded repurchase ("repo") transactions of Canadian and provincial government securities entered into among approved fixed income CDCC clearing members, and includes blind repo trades introduced by inter-dealer brokers;

10. On March 11, 2013, CDCC expanded the scope of the Fixed Income CCP Service to provide CCP clearing services for cash buy or sell trades of such government securities;

11. CDCC intends to further expand the scope of the Fixed Income CCP Service to provide CCP clearing services for so-called "general collateral" repo transactions, whereby the underlying securities of a repo transaction consists of a "basket" of acceptable government securities instead of an individual security;

12. To operate the Fixed Income CCP Service, CDCC has a link with CDS, which (i) facilitates the entering and transmission to CDCC of all necessary information relating to fixed income transactions that are to be novated and netted by CDCC and (ii) settles by book-entry on a delivery-versus-payment basis the transactions that are novated and netted by CDCC, with CDCC being on one side of all the cleared transactions in its capacity as the CCP and a participant of CDS being on the other side;

13. To manage counterparty credit risk, and protect CDCC, its clearing members and, indirectly, their clients, against extreme but plausible market events, CDCC has implemented risk management procedures, including: (i) maintaining minimum membership standards, (ii) assessing market exposure and requiring margin to cover such exposure from its clearing members, (iii) monitoring the capital margin ratio of each clearing member, (iv) collecting and holding clearing fund contributions from its clearing members, (v) accepting highly liquid assets as collateral, and (vi) having a default management process in place;

14. CDCC manages liquidity risk through a calibration of its collateral policy as well as commercial bank liquidity facilities, and regularly reviews its liquidity exposures;

15. CDCC has committed five million dollars in capital to the default management waterfall that would be applied to a suffered loss prior to applying the clearing fund assets of the non-defaulting clearing members;

16. To measure and monitor the adequacy of its financial resources and identify any shortcomings in its overall financial risk model, CDCC performs daily stress testing that simulates eighteen market events on open clearing member positions, as well as daily backtesting of open clearing member positions at both the product and portfolio levels;

17. CDCC's board of directors receives advice and non-binding recommendations with respect to CDCC risk management issues from, among others, a Risk Management Advisory Committee, whose members must have a requisite level of expertise and be familiar with the risk management objectives of clearing agencies that settle and guarantee derivative instruments;

18. CDCC has been regulated and overseen by the Autorité des marchés financiers ("AMF") in Québec since 1987, and currently is recognized by the AMF as a clearinghouse under section 12 of the *Derivatives Act* (Québec) ("QDA") pursuant to decision No. 2012-PDG-0078, an English translation of which is set out in Schedule "B" to this order (the "AMF Decision"), and is exempt by the AMF from obtaining recognition as a clearing house under the *Securities Act* (Québec) ("QSA") pursuant to the AMF Decision;

19. The Bourse is also subject to the regulatory oversight of the AMF, which acts as lead regulator of the Bourse in Canada;

20. Effective April 30, 2012, the Governor of the Bank of Canada ("BOC") designated CDCC's clearing and settlement system, the Canadian Derivatives Clearing Service ("CDCS"), pursuant to subsection 4(1) of the *Payment Clearing and Settlement Act* (Canada) (the "PCSA"); as a consequence of this designation, CDCS is subject to Part I – *Clearing and Settlement System Regulation* – of the PCSA and the BOC's regulatory oversight;

21. Amendments to CDCC's rules and procedures are generally:

    a. subject to review by the AMF and implemented by CDCC by way of a self-certification process in accordance with the QDA regulations,

b. subject to review and prior approval by the BOC in accordance with a regulatory oversight agreement;

AND WHEREAS the Commission considers the proper operation of a clearing agency as essential to investor protection and maintaining a fair and efficient capital market, and the Commission may recognise a clearing agency, pursuant to section 21.2 of the Act, if it is satisfied that it is in the public interest to do so;

AND WHEREAS the Commission considers the operation of a clearing agency in the public interest to include, among other things, appropriate governance arrangements, fair access and services to all market participants, adequate management of risk, including systemic risk, and operational reliability, fair and non-discriminatory fees, and appropriate rules and procedures that do not impose a burden on competition in the Canadian financial markets;

AND WHEREAS the Commission considers certain aspects of CDCC's activities, particularly the Fixed-Income CCP Service and any potential expansion of CCP clearing of derivatives transactions, to be important to Ontario's capital markets, and therefore proposes to recognize CDCC and regulate it in coordination and cooperation with the regulatory oversight undertaken by the BOC and AMF;

AND WHEREAS the Bourse has been exempted by the Commission since 2004 from the requirement to be recognized as an exchange under section 21 of the Act and from registration as a commodity futures exchange under section 15 of the *Commodity Futures Act* (Ontario) ("CFA"), subject to certain terms and conditions;

AND WHEREAS the current terms and conditions of the Commission's exemption order granted to the Bourse include requirements that, to the extent that CDCC is recognized by the Commission as a clearing agency under the Act or a clearing house under the CFA, or is exempted from any requirement to be recognized, the Bourse shall cause CDCC to:

(a) carry out its activities as a clearing agency recognized or exempted from recognition under section 21.2 of the Act and in compliance with Ontario securities law, as and where applicable, and

(b) comply with any terms and conditions imposed on CDCC through any order recognizing it as a clearing agency, or exempting it from recognition as a clearing agency, under section 21.2 of the Act;

AND WHEREAS the Commission considers that reliance on the AMF's regulatory oversight of CDCC's activities relating to the clearing of trades in Bourse listed or traded products would generally be appropriate;

AND WHEREAS CDCC has agreed to the respective terms and conditions as set out in Schedule "C" to this order;

AND WHEREAS based on the Application and the representations that CDCC has made to the Commission, the Commission has determined that:

(a) CDCC satisfies the applicable criteria for recognition set out in Schedule "A" to this order; and

(b) it is in the public interest to recognize CDCC as a clearing agency pursuant to section 21.2 of the Act, subject to terms and conditions that are set out in Schedule "C" to this order;

AND WHEREAS the Commission will monitor developments in international and domestic capital markets and CDCC's activities on an ongoing basis to determine whether the terms and conditions in this order continue to be appropriate;

IT IS HEREBY ORDERED that pursuant to subsection 21.2(0.1) of the Act, CDCC is recognized as a clearing agency, provided CDCC complies with the terms and conditions set out in Schedule "C".

DATED this ● day of ●, 2014 and effective immediately.

SCHEDULE "A" – CRITERIA FOR RECOGNITION

PART 1 GOVERNANCE

1.1 The governance structure and governance arrangements of the clearing agency ensures:

(a) effective oversight of the clearing agency;

(b) the clearing agency's activities are in keeping with its public interest mandate;

(c) fair, meaningful and diverse representation on the governing body (Board) and any committees of the Board, including a reasonable proportion of independent directors;

(d) a proper balance among the interests of the owners and the different entities seeking access (participants) to the clearing, settlement and depository services and facilities (settlement services) of the clearing agency;

(e) the clearing agency has policies and procedures to appropriately identify and manage conflicts of interest;

(f) each director or officer of the clearing agency, and each person or company that owns or controls, directly or indirectly, more than 10 percent of the clearing agency, is a fit and proper person; and

(g) there are appropriate qualifications, limitation of liability and indemnity provisions for directors and officers of the clearing agency.

PART 2 FEES

2.1 All fees imposed by the clearing agency are equitably allocated. The fees do not have the effect of creating unreasonable barriers to access.

2.2 The process for setting fees is fair and appropriate, and the fee model is transparent.

PART 3 ACCESS

3.1 The clearing agency has appropriate written standards for access to its services.

3.2 The access standards and the process for obtaining, limiting and denying access are fair and transparent. A clearing agency keeps records of:

(a) each grant of access including, for each participant, the reasons for granting such access; and

(b) each denial or limitation of access, including the reasons for denying or limiting access to an applicant.

PART 4 RULES AND RULEMAKING

4.1 The clearing agency's rules are designed to govern all aspects of the settlement services offered by the clearing agency, and

(a) are not inconsistent with securities legislation;

(b) do not permit unreasonable discrimination among participants; and

(c) do not impose any burden on competition that is not necessary or appropriate.

4.2 The clearing agency's rules and the process for adopting new rules or amending existing rules should be transparent to participants and the general public.

4.3 The clearing agency monitors participants' activities to ensure compliance with the rules.

4.4 The rules set out appropriate sanctions in the event of non-compliance by participants.

PART 5 DUE PROCESS

5.1 For any decision made by the clearing agency that affects an applicant or a participant, including a decision in relation to access, the clearing agency ensures that:

(a) an applicant or a participant is given an opportunity to be heard or make representations; and

(b) the clearing agency keeps a record of, gives reasons for, and provides for appeals or reviews of, its decisions.

PART 6 RISK MANAGEMENT

6.1 The clearing agency's settlement services are designed to minimize systemic risk.

6.2 The clearing agency has appropriate risk management policies and procedures and internal controls in place.

6.3 Without limiting the generality of the foregoing, the clearing agency's services or functions are designed to achieve the following objectives:

1. Where the clearing agency acts as a central counterparty, it rigorously controls the risks it assumes.

2. The clearing agency minimizes principal risk by linking securities transfers to funds transfers in a way that achieves delivery versus payment.

3. Final settlement occurs no later than the end of the settlement day. Intraday or real-time finality is provided where necessary to reduce risks.

4. Where the clearing agency extends intraday credit to participants, including a clearing agency that operates net settlement systems, it institutes risk controls that, at a minimum, ensure timely settlement in the event that the participant with the largest payment obligation is unable to settle.

5. Assets used to settle the ultimate payment obligations arising from securities transactions carry little or no credit or liquidity risk. If central bank money is not used, steps are to be taken to protect participants in settlement services from potential losses and liquidity pressures arising from the failure of the cash settlement agent whose assets are used for that purpose.

6. If the clearing agency establishes links to settle cross-border trades, it designs and operates such links to reduce effectively the risks associated with cross-border settlements.

6.4 The clearing agency engaging in activities not related to settlement services carries on such activities in a manner that prevents the spillover of risk to the clearing agency that might affect its financial viability or negatively impact any of the participants in the settlement service.

PART 7 SYSTEMS AND TECHNOLOGY

7.1 For its settlement services systems, the clearing agency:

(a) develops and maintains,

(i) reasonable business continuity and disaster recovery plans,

(ii) an adequate system of internal control,

(iii) adequate information technology general controls, including controls relating to information systems operations, information security, change management, problem management, network support, and system software support;

(b) on a reasonably frequent basis, and in any event, at least annually, and in a manner that is consistent with prudent business practice,

(i) makes reasonable current and future capacity estimates,

(ii) conducts capacity stress tests to determine the ability of those systems to process transactions in an accurate, timely and efficient manner,

(iii) tests its business continuity and disaster recovery plans; and

(c) promptly notifies the regulator of any material systems failures.

7.2 The clearing agency annually engages a qualified party to conduct an independent systems review and prepare a report in accordance with established audit standards regarding its compliance with paragraph 7.1(a).

PART 8 FINANCIAL VIABILITY AND REPORTING

8.1 The clearing agency has sufficient financial resources for the proper performance of its functions and to meet its responsibilities and allocates sufficient financial and staff resources to carry out its functions as a clearing agency in a manner that is consistent with any regulatory requirements.

PART 9 OPERATIONAL RELIABILITY

9.1 The clearing agency has procedures and processes to ensure the provision of accurate and reliable settlement services to participants.

PART 10 PROTECTION OF ASSETS

10.1 The clearing agency has established accounting practices, internal controls, and safekeeping and segregation procedures to protect the assets that are held by the clearing agency.

PART 11 OUTSOURCING

11.1 Where the clearing agency has outsourced any of its key functions, it has appropriate and formal arrangements and processes in place that permit it to meet its obligations and that are in accordance with industry best practices. The outsourcing arrangement provides regulatory authorities with access to all data, information, and systems maintained by the third party service provider required for the purposes of regulatory oversight of the agency.

PART 12 INFORMATION SHARING AND REGULATORY COOPERATION

12.1 The clearing agency cooperates by sharing information or otherwise with the Commission and its staff, self-regulatory organizations, exchanges, quotation and trade reporting systems, alternative trading systems, other clearing agencies, investor protection funds, and other appropriate regulatory bodies.

SCHEDULE "B" – ENGLISH TRANSLATION OF AMF DECISION

[see pages 2007-2037 at this time for an unofficial translation]

SCHEDULE "C" – TERMS AND CONDITIONS

Part I – Definitions

For the purposes of this Schedule "C":

"financial risk model" means the mechanisms adopted by CDCC to manage the risk of potential loss in the provision of clearing services for securities and derivatives transactions due to the failure of a Clearing Member to fulfill its obligations, and for greater certainty:

(i) includes margin and clearing fund calculation models, stress and backtesting policies and procedures for determining the adequacy of CDCC's total financial resources, collateral and treasury management policies and procedures, and other tools to manage CDCC's credit and liquidity risk, but

(ii) does not include mechanisms to manage business or operational risk;

"FMI Principles" means the international standards for financial market infrastructures established by the Committee on Payment and Settlement Systems (CPSS) and Technical Committee of the International Organization of Securities Commissions (IOSCO) in their April 2012 report *Principles for financial market infrastructures;*

"IT Systems" means CDCC's information technology systems supporting the services or the business operations of CDCC;

"Clearing Member" means a clearing member that uses the services offered by CDCC which are governed by the CDCC's Rules;

"Ontario securities law" has the meaning ascribed to it in subsection 1(1) of the Act; and

"Rule" has the meaning ascribed to it in section 2 of the Rule Protocol at Appendix "A" to this schedule.

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

Part 2–Terms and Conditions

1 REGULATION OF CDCC

1.1 CDCC shall continue to be a recognized clearinghouse under the QDA and an exempt clearing house under the QSA and be subject to the AMF's regulatory oversight.

1.2 CDCC shall continue to meet the terms and conditions set out in Part IV of the AMF Decision (except terms and condition II(b)(iv), III and IV thereof).

1.3 CDCS shall continue to be designated by the BOC under the PCSA and be subject to the BOC's regulatory oversight.

1.4 CDCC shall inform the Commission in writing, promptly upon becoming aware, of any proposed change to the AMF's recognition of CDCC or the BOC's designation of the CDCS, including any proposed change to the terms and conditions of recognition as a clearinghouse under the QDA or exemption from recognition as a clearing house under the QSA and to the respective regulatory oversight of the AMF and BOC.

1.5 CDCC shall continue to meet the criteria for recognition in Schedule "A" to this order, as applicable.

2 OWNERSHIP OF CDCC

2.1 CDCC shall inform the Commission in writing, promptly upon becoming aware, of any (i) change in ownership of its share capital or (ii) agreement governing the exercise of voting rights attached to any class or series of its voting shares.

3 PUBLIC INTEREST RESPONSIBILITY

3.1 CDCC's board of directors shall provide a written report to the Commission at least annually, or as required by the Commission, describing how CDCC is meeting its public interest responsibility.

4 GOVERNANCE

4.1 CDCC shall promote within CDCC a governance structure that minimizes the potential for any conflict of interest between CDCC and its shareholder(s) that could adversely affect the clearing of products cleared by CDCC or the effectiveness of CDCC's risk management policies, controls and standards.

5 ACCESS

5.1 With respect to the Fixed Income CCP Service or any other CCP service for transactions in the cash markets and only for as long as CDCC offers such services:

(a) CDCC shall allow any person or company, including other third party post-trade service providers, that meets CDCC's minimum operational requirements, to interface or connect to any of its services or systems on a commercially reasonable basis;

(b) the Rules or any other arrangements between CDCC and its Clearing Members or between CDCC and a cash marketplace shall:

(i) be designed to foster cooperation and coordination with persons engaged in the clearance and settlement of securities transactions and to remove impediments to the prompt and accurate clearance and settlement of securities transactions;

(ii) not unreasonably create an impediment to competition including in respect of securities trades that are executed on marketplaces, or processed by third party post-trade service providers, not owned or controlled by TMX Group Limited; and

(iii) without limiting the generality of the foregoing, not unreasonably prohibit, limit or impede, directly or indirectly, the ability of Clearing Members to engage other third party post-trade service providers or use the provision of their services.

6. FEES

6.1 CDCC shall provide timely notice to its Clearing Members, the public and its regulators of any changes to fees charged by CDCC for its services.

6.2 CDCC shall file concurrently with the Commission all the reports filed with other regulatory authorities regarding the review of the fees and fee models related to clearing or other services of CDCC and any of its affiliates.

6.3 If the Commission considers that it would be in the public interest, it may, within 10 business days of receipt of the filing under paragraph 6.1 of a new or changed fee, object to such new or changed fee. In the event that the Commission so objects, CDCC shall withdraw the new or changed fee.

6.4 CDCC's process for setting fees for any of its services shall provide for meaningful input from the risk and audit committee of its board of directors.

7 CPSS-IOSCO STANDARDS

7.1 CDCC shall conduct a self-assessment against the FMI Principles as and when required by CDCC's regulators, and prepare a written report on the findings, conclusions and recommendations for addressing any gaps. CDCC shall provide the report to its board of directors promptly after the report's completion and then to the Commission within 30 days of providing it to its board of directors.

8 RISK CONTROLS

8.1 CDCC's financial risk model shall be reviewed every four years, or at other times required by the Commission, by an independent qualified party, acceptable to the Commission; the independent qualified party shall prepare a written report of its review and provide the report to CDCC's board of directors promptly after the report's completion and then to the Commission within 30 days of providing it to its board of directors.

9. ACCESS TO INFORMATION AND CONFIDENTIALITY OF INFORMATION

9.1 CDCC shall make available to the Commission, on request, all the data and information in CDCC's possession and which the Commission may need (i) to evaluate CDCC's performance of its clearing activities and its compliance with

the terms and conditions of this order, or (ii) generally in order to carry out its mandate. Without limiting the generality of the foregoing, CDCC shall provide the data and information described in Appendix "C" to this Schedule "C" on an ongoing basis at the intervals indicated therein.

9.2 The disclosure or sharing of information by CDCC or any of its affiliates pursuant to this order is subject to any confidentiality provisions contained in agreements entered into between CDCC and the BOC pertaining to information received from the BOC.

9.3 CDCC shall not release Clearing Members' confidential information to a person or company other than CDCC's affiliates, the Clearing Member, CDCC's regulators, other securities regulatory authorities, or regulation services providers unless:

(a) the Clearing Member has consented in writing to the release of the information;

(b) the release of the information is required by Ontario securities law or other applicable law; or

(c) the information has been publicly disclosed by another person or company, and CDCC reasonably believes that the disclosure was lawful.

9.4 CDCC shall implement reasonable safeguards and procedures to protect Clearing Members' information, including limiting access to such Clearing Member information to CDCC's affiliates and employees, or persons or companies retained by CDCC to operate the system.

9.5 CDCC shall implement adequate oversight procedures to ensure that the safeguards and procedures established under paragraph 9.4 are followed.

10 RULES

10.1 CDCC shall file with the Commission all Rules and amendments to Rules subject to and in accordance with the Rule Protocol attached as Appendix "A" to this Schedule, as amended from time to time.

11 FINANCIAL VIABILITY

11.1 CDCC shall file with the Commission unaudited quarterly financial statements, without notes, within 60 days of the end of quarters one through three and audited annual financial statements within 90 days of each fiscal year end, all prepared in accordance with Canadian GAAP applicable to publicly accountable enterprises. The quarterly and annual financial statements of CDCC shall be provided on a separate and consolidated basis (if CDCC has one or more subsidiaries). Any annual report provided to CDCC's shareholder(s) shall be concurrently filed by CDCC with the Commission.

11.2 CDCC shall file with the Commission its annual budget, accompanied by the underlying assumptions, approved by its board of directors. The annual and quarterly financial statements of CDCC shall include a budget analysis of the results of the relevant period, as well as a comparative analysis of the results in relation to the corresponding period of the previous fiscal year.

11.3 CDCC shall meet the financial ratios and related threshold tests that may be agreed upon from time to time between CDCC and Commission staff, and shall file on a quarterly basis the calculations of such ratios together with the financial statements required under this section.

11.4 CDCC shall promptly notify the Commission upon becoming aware that it is no longer or will no longer meet one or more of the tests described in paragraph 11.3 or otherwise be able to maintain sufficient financial or other resources it needs to ensure its financial viability and the performance of its clearing functions, in a manner that is consistent with the public interest and in accordance with the terms and conditions of this decision~~,~~.

12 SYSTEMS CAPACITY, INTEGRITY AND SECURITY

12.1 CDCC shall promptly notify the Commission of any material systems failure or other major operating delay or failure affecting its IT Systems, including any communication failure with the systems.

12.2 Before implementing a significant change affecting its IT Systems, CDCC shall file a written description of the change at least 45 days in advance with the Commission.

12.3 For any change to its IT Systems other than a change contemplated in paragraph 12.2, CDCC shall file a description of the change with the Commission, within a time limit of 30 days following the end of the calendar quarter during which the change occurred.

12.4 CDCC shall provide at least 30 days prior notice to the Commission before finalizing the scope of the review required under criteria for recognition 7.2 and the Commission may request amendments to the scope. CDCC shall file the report of the review with the Commission within 30 days after the presentation of the report to CDCC's board of directors or to the board's risk and audit committee.

13 REPORTING OBLIGATIONS

13.1 CDCC shall comply with Appendix "B" and Appendix "C" to this Schedule setting out the reporting obligations, as amended from time to time, regarding the reporting of information to the Commission.

Appendix "A" to Schedule "C"

Rule Protocol

RULE PROTOCOL REGARDING THE REVIEW AND, WHERE APPROPRIATE, APPROVAL AND PUBLICATION BY THE ONTARIO SECURITIES COMMISSION OF RULES OF THE CANADIAN DERIVATIVES CLEARING CORPORATION

1. Purpose of the Protocol

On ***, 2014, the Commission issued a recognition order ("Recognition Order") with terms and conditions governing the recognition of CDCC as a clearing agency pursuant to subsection 21.2(0.1) of the Act. In accordance with the Recognition Order, CDCC will file, among other things, its Rules with the Commission for review and, where appropriate, approval and publication. This protocol ("Protocol") sets out the procedures for the submission of a Rule by CDCC for the review and, where appropriate, approval and publication of the Rule by the Commission.

2. Definitions

(a) In addition to terms defined elsewhere in the Recognition Order, in this Protocol:

"MOU" means a memorandum of understanding dated *, 2014 among CDCC's Canadian regulators respecting the regulatory oversight of certain commonly regulated clearing and settlement systems, including CDCC, as amended from time to time;

"Proposed Rule Implementation Date" means the date determined by CDCC pursuant to the QDA Rule Self-certification Process to be the date when a Rule is proposed to come into effect as a binding and enforceable Rule;

"QDA Regulation" means the *Derivatives Regulation* made in the Province of Québec under the QDA, as amended from time to time;

"QDA Rule Self-certification Process" means, in relation to a proposed Rule, the process by which the Rule is to be implemented in the Province of Québec pursuant to the QDA Regulation;

"Rule" means any provision or other requirement in CDCC's rulebook, operating procedures or manuals, user guides, or similar documents governing rights and obligations between CDCC and the Clearing Members or among the Clearing Members; and includes for the purposes of this Protocol, any proposed new Rule or amendment to or deletion of an existing Rule.

(b) Unless the context otherwise requires, other terms used in this Protocol have the respective meanings ascribed to them in:

(i) Ontario securities law, as defined in the Act; or

(ii) Ontario commodity futures law, as defined in the *Commodity Futures Act* (Ontario).

3. Classification of Rules

(a) Initial classification

CDCC will present a Rule change as a "Rule Change Requiring Approval in Ontario" or a "Rule Change Not Requiring Approval in Ontario" for the purposes of this Protocol.

(b) Rule Change Requiring Approval in Ontario

For the purpose of this Protocol, a Rule will be classified as a Rule Change Requiring Approval in Ontario if it meets the following two conditions:

(i) the Rule is required to be subject to public consultation under the QDA Rule Self-certification Process; and

(ii) it pertains to the Fixed Income CCP Service or any CCP service for the clearing and settlement of derivatives trades.

(c) Rule Change Not Requiring Approval in Ontario

For the purpose of this Protocol, a Rule will be classified as a Rule Change Not Requiring Approval in Ontario if it is not a Rule Change Requiring Approval in Ontario.

(d) Disagreement with Classification

Where Commission staff disagree with classification of a Rule as a Rule Change Not Requiring Approval in Ontario, the following process will apply:

(i) Commission staff will provide a written explanation to CDCC (with copy to CDCC's other regulators in accordance with the terms of the MOU) of its reasons for disagreeing with the classification of the Rule within the following timelines:

(A) within five (5) business days of receipt of CDCC's filing where CDCC has classified the Rule as a Rule Change Not Requiring Approval in Ontario because it is of the opinion that an emergency situation so requires in accordance with the QDA Regulation; and

(B) within twenty-one (21) business days of receipt of CDCC's filing in all other cases;

(ii) Commission staff will use its best efforts to coordinate and consult with CDCC's other regulators in accordance with the MOU to seek consensus as to the classification of the Rule;

(iii) following receipt of Commission staff's written explanation and confirmation that staff have consulted with CDCC's other regulators in accordance with the MOU regarding the disagreement, CDCC will suspend the operation of the Rule; CDCC may also, if it so chooses, reclassify the Rule as a Rule Requiring Approval in Ontario and resubmit it in accordance with the rule submission procedures set out in Section 4, with necessary modifications;

(iv) the operation of the Rule will be suspended until such time as the disagreement on the classification of the Rule has been resolved or the Commission approves the Rule.

(e) Power to Reclassify a New Derivative Rule

Notwithstanding any other provision of this Protocol, where a Rule pertains to a new derivative pursuant to the QDA Regulation, Commission staff may require within 30 days of receipt of CDCC's filing of the Rule that it be immediately withdrawn and re-submitted as a Rule Change Requiring Approval in Ontario if, further to analysis, Commission staff has concerns with the potential impact of such Rule on Ontario's capital markets.

4. Rule Submission Procedures for a Rule Change Requiring Approval in Ontario

Prior to implementing a Rule Change Requiring Approval in Ontario, CDCC will obtain the Commission's approval of the Rule in accordance with this Section 4.

(a) Documents to be Filed

CDCC will file with the Commission, by electronic means all the documents that it is required to file with the AMF in respect of the Rule under the QDA Rule Self-certification Process. Where public consultation is required under the QDA Rule Self-certification Process, CDCC will disclose in its notice of publication the classification of the Rule under this Protocol and the rationale for that classification, and will include a statement that the Rule is not, in CDCC's opinion, contrary to the public interest.

(b) Confirmation of Receipt

Commission staff will endeavour to send to CDCC, within five (5) business days of receipt of the documents filed under subsection (a), a confirmation of receipt of such documents.

(c) Consultation Process

Where public consultation is required under the QDA Rule Self-certification Process, Commission staff will use its best efforts to coordinate with the AMF to publish in Ontario simultaneously the notice and text of the Rule filed by CDCC under subsection (a). The notice and Rule will be subject to public comment for a period of not less than 30 days in accordance with the QDA Rule

Self-certification Process. The notice will contain a statement that all comments should be sent to CDCC's counsel with a copy to the Commission.

(d) Review by Commission Staff

Commission staff will use its best efforts to conduct its review of the Rule Change Requiring Approval in Ontario and provide comments to CDCC during the public comment period or, if there is no public consultation process, within 30 days of receipt of the documents filed under subsection (a) ("Review Period"). Commission staff will concurrently provide to CDCC's other regulators copies of the Commission staff's comments provided to CDCC and any responses on such comments received from CDCC. If, at any time during the Review Period, Commission staff determines that it has further comments or requires further information from CDCC in respect of the Rule to adequately advise or prepare materials for the Commission, the Commission staff may extend the deadline for its reply by an additional period of 30 days or such other period as agreed upon by CDCC and the Commission staff, in consultation with CDCC's other regulators ("Extended Reply Deadline").

(e) CDCC Responses to Commission Staff's Comments

CDCC will respond to any comments on the Rule received from Commission staff in writing and, where applicable, provide all public comments received. In addition, CDCC will provide general responses to the key issues raised by the public comments or confirmation that it has not received public comments, as the case may be.

(f) Decision by the Commission

Commission staff will use its best efforts to prepare and submit the Rule Change Requiring Approval in Ontario for the Commission's consideration and decision prior to the Proposed Rule Implementation Date. In any event, the Commission will endeavour to render its decision in respect of the Rule within 15 days of the AMF having stated that it does not object to CDCC proceeding with self-certification of the Rule and will, in accordance with the MOU, endeavour to consult and coordinate with CDCC's other regulators in respect of the identification and resolution of any material issue arising from the proposed Rule.

(g) Publication of Notice of Decision

Commission staff will prepare and publish a short notice of the Commission's decision in respect of the Rule Change Requiring Approval in Ontario as soon as practical after notifying CDCC of the Commission's decision. Upon obtaining the Commission's approval and satisfying other regulatory requirements, as applicable, CDCC will publish a notice of coming into effect of the Rule. At a minimum, the notice of coming into effect of the Rule must contain the following information:

(i) the approved text of the Rule;

(ii) where applicable, a summary of all public comments made in the course of the consultation process and CDCC's general responses to the key issues raised by the public comments; and

(iii) if changes were made to the version published for public comment, a blacklined copy of the revised Rule.

(h) Effective Date of a Rule Change Requiring Approval in Ontario

A Rule Change Requiring Approval in Ontario will be effective as of the Proposed Rule Implementation Date (or such deferred date as may result following the Extended Reply Deadline), provided that the Commission has approved the Rule Change Requiring Approval in Ontario and all other regulatory requirements have been satisfied (including requirements under the QDA).

(i) Significant Revisions to a Rule Change Requiring Approval in Ontario

Any significant revisions to a Rule Change Requiring Approval in Ontario following its publication for comment pursuant to the QDA Rule Self-certification Process, and before its approval by regulators, will be deemed to be a new Rule for the purposes of this Protocol.

(j) Withdrawal of a Rule Change Requiring Approval in Ontario

If CDCC withdraws a Rule Change Requiring Approval in Ontario that was submitted for public comment, then it will provide a notice of withdrawal to the Commission staff. The Commission staff shall publish a notice of withdrawal as soon as practicable.

5. Rule Submission Procedures for Rule Change Not Requiring Approval in Ontario

(a) Documents to be Filed

For a Rule Change Not Requiring Approval in Ontario, CDCC will file concurrently with the Commission, by electronic means, any documents that it files with the AMF related to the Rule in accordance with the QDA Rule Self-certification Process. CDCC will also indicate the classification of the Rule for the purpose of this Protocol and the rationale for that classification, including a statement that the Rule is not, in CDCC's opinion, contrary to the public interest. Where CDCC has classified the Rule as a Rule Change Not Requiring Approval in Ontario because it pertains to a new derivative pursuant to the QDA Regulation, CDCC will provide Commission staff with a clear description of the attributes of the new product or products and their underlying interests. Where CDCC has classified the Rule as a Rule Change Not Requiring Approval in Ontario because it is being made for the purpose of harmonization or compliance with the QDA or other legislation enacted by another province or territory in Canada or by a foreign jurisdiction, CDCC will provide to Commission staff a written description or relevant extract of such legislation. Where CDCC has classified the Rule as a Rule Change Not Requiring Approval in Ontario because it is of the opinion that an emergency situation so requires in accordance with the QDA Regulation, CDCC will, no later than the business day following the effective date of the emergency rule, provide to Commission staff a written explanation of the need for the emergency rule.

(b) Confirmation of Receipt

Commission staff will endeavour to send to CDCC, within five (5) business days of receipt of the documents filed under subsection (a), a confirmation of receipt of such documents.

(c) Effective Date of Rule Change Not Requiring Approval in Ontario

The Rule will become effective on the Proposed Rule Implementation Date, provided that CDCC does not receive any communication of disagreement with the classification from Commission staff in accordance with Section 3.

6. Miscellaneous Provisions

(a) Waiving Provisions of the Protocol

Commission staff may waive any provision of this Protocol upon request from CDCC in respect of a particular Rule filed with the Commission. Such a waiver will be granted in writing by Commission staff. Any such waiver by Commission staff under this Protocol shall not be construed as a waiver of the provision itself.

(b) Amendments

This Protocol and any provision hereof may be amended at any time or times by written agreement between the Commission and CDCC.

Appendix "B" to Schedule "C"

Other reports and documents to be submitted by CDCC to the Commission

In addition to the notification, reporting and filing obligations set out in Schedule "C" to the Recognition Order, CDCC shall also comply with the reporting obligations set out below.

1. Prior Notification

1.1 CDCC shall provide to Commission staff prior notification of:

(a) any proposed change to CDCC's corporate governance structure (eg., changes to the structure of its board of directors, and changes to the structure of any of its board committees and their mandates, and changes to the structure of any of its user groups and their mandates);

(b) a decision to enter into an agreement, memorandum of understanding or other similar arrangement with any governmental or regulatory body, self-regulatory organization, clearing agency, stock exchange, other marketplace or market;

(c) a decision by CDCC to engage, either directly or through an affiliate, in a new material business activity or to cease to carry on a material business activity operated by CDCC at that time; and

(d) the establishment of any link with another clearing agency or trade repository.

2. Immediate Notification

2.1 CDCC shall inform the Commission, promptly upon becoming aware, of any event or occurrence that has caused or could reasonably be expected to cause a significant risk to; an adverse material effect on; or a significant or potential disruption to CDCC, its Clearing Members, any of its services or the Canadian financial markets, including, but not limited to, a Clearing Member being declared a "non-conforming Member" or otherwise being considered in default; fraudulent activity; or a significant breach of CDCC's rules by a Clearing Member.

2.2 CDCC shall provide to the Commission immediate notice of:

(a) the appointment of any new director or officer, including a description of the individual's employment history; and

(b) the receipt of notice of resignation from, or the resignation of a director or officer or the auditors of CDCC, including a statement of the reasons for the resignation.

2.3 CDCC shall immediately notify the Commission if it becomes:

(a) the subject of any order, directive or other similar action of a governmental or regulatory authority; or

(b) aware that it is the subject of a criminal or regulatory investigation or of a material lawsuit.

2.4 CDCC shall immediately file with the Commission copies of all notices, bulletins and similar forms of communication that CDCC sends its Clearing Members.

2.5 CDCC shall immediately file with the Commission any minutes of the board of directors, board committees, management committees and user groups promptly after their approval.

3. Quarterly Reporting

3.1 CDCC shall file quarterly with the Commission a list of the internal audit reports and risk management reports issued in the previous quarter.

4. Annual Reporting

4.1 CDCC shall provide to the Commission annually:

(a) a list of the directors and officers of CDCC;

(b) a list of the committees of the CDCC board of directors, setting out the members, mandate and responsibilities of each of the committees;

(c) a list of all Clearing Members as well as a list of Clearing Members using the Fixed Income CCP Service;

(d) CDCC's strategic plan; and

(e) CDCC's assessment of the risks it faces and the plans for addressing the risks.

Appendix "C" to Schedule "C"

Data and other information to be submitted by CDCC to the Commission

(Note: reporting requirements are considered met if the information items described below are emailed to Commission staff or are made available on CDCC's regulatory extranet system.)

Definitions

1. In this Appendix "C" to Schedule "C" of the Recognition Order,

   (a) "new OTC derivatives" means derivatives, within the meaning of the Act, that are not currently cleared by CDCC on the effective date of this Recognition Order; and

   (b) "Ontario-based Member" means a Clearing Member that has a head office or principal place of business in Ontario.

Quarterly Reporting

2. CDCC will maintain the following updated information and submit such information to the Commission in a manner and form acceptable to the Commission on a quarterly basis (by the end of the month following the end of the calendar quarter), and at any time promptly upon the request of staff of the Commission:

   (a) statistical information in respect of fixed income transactions cleared and settled through the Fixed Income CCP Service;

      1) total number of transactions and net settlement value by category (blind, bilateral and cash)

      2) total net settlement value of unsettled / failed CCP repo transactions divided by ISIN

      3) total number and dollar value of all net settlement positions for future dated end leg transactions, separated into the following buckets:

         (i) value date being less than or equal to T+1

         (ii) value date greater than T+1 and less than or equal to T+7

         (iii) value date greater than T+7 and less than or equal to T+29

         (iv) value date greater than T+29 and less than or equal to T+90

         (v) value date being after T+90

   (b) aggregate volume of Bourse-traded products cleared by CDCC by asset class during the quarter for each Ontario-based Member;

   (c) aggregate notional values of new OTC derivatives cleared by CDCC by asset class during the quarter, as well as total notional values of new OTC derivatives cleared by CDCC by asset class during the quarter for each Ontario-based Member;

   (d) the aggregate total margin amount (initial and variation) and clearing fund contributions required by CDCC ending on the last trading day during the quarter, as well as the total margin amount (initial and variation), and clearing fund contributions for each Ontario-based Member that clears fixed income transactions and / or new OTC derivatives at CDCC;

   (e) a list of Ontario-based Members who have received permission or approval by CDCC during the quarter to perform client clearing at CDCC for new OTC derivatives;

   (f) to the extent CDCC becomes aware of the offering of client clearing for new OTC derivatives to Ontario residents by a Clearing Member, the identity of such Clearing Member and its jurisdiction of incorporation (including that of its ultimate parent) that provides such client clearing services to Ontario residents including, where known,

1) the name of each of the Ontario residents receiving such services; and

2) the notional value of new OTC derivatives cleared by asset class during the quarter for and on behalf of each Ontario resident;

(g) a summary of risk management analysis related to the adequacy of required margin (initial and variation) and the level of the clearing funds, including but not limited to stress testing and back testing results;

(h) any other information in relation to a new OTC derivative cleared by CDCC for Clearing Members as may be required by the Commission from time to time in order to carry out the Commission's mandate.

UNOFFICIAL TRANSLATION
OF AMF DECISION

DECISION No. 2012-PDG-0078

Recognition of Maple Group Acquisition Corporation as a clearing house under section 12 of the *Derivatives Act*, R.S.Q., c. I-14.01

Recognition of TMX Group Inc. as a clearing house under section 12 of the *Derivatives Act*, R.S.Q., c. I-14.01

Recognition of Bourse de Montréal Inc. as a clearing house under section 12 of the *Derivatives Act*, R.S.Q., c. I-14.01

Recognition of Canadian Derivatives Clearing Corporation as a clearing house under section 12 of the *Derivatives Act*, R.S.Q., c. I-14.01

Exemption from recognition of Maple Group Acquisition Corporation as a clearing house under the *Securities Act*, R.S.Q., c. V-1.1;

Exemption from recognition of TMX Group Inc. as a clearing house under the *Securities Act*, R.S.Q., c. V-1.1;

Exemption from recognition of Bourse de Montréal Inc. as a clearing house under the *Securities Act*, R.S.Q., c. V-1.1;

Exemption from recognition of Canadian Derivatives Clearing Corporation as a clearing house under the *Securities Act*, R.S.Q., c. V-1.1;

Whereas on October 3, 2011, Maple Group Acquisition Corporation ("Maple") filed with the Autorité des marchés financiers (the "Autorité") respecting a two-stage integrated transaction with a view to the acquisition of all the issued and outstanding common shares of TMX Group Inc. ("TMX Group"):

1. an application for recognition of Maple as a clearing house under the *Derivatives Act*, R.S.Q., c. 1-14.01 (the "DA"), as the projected parent holding company of TMX Group ("TMX Group");

2. an application for exemption from recognition of Maple as a clearing house under the *Securities Act*, R.S.Q., c. V-1.1 (the "SA"), as the projected parent holding company of TMX Group;

3. an application for recognition of TMX Group as a clearing house under the DA, as indirect parent holding company of Canadian Derivatives Clearing Corporation ("CDCC"), and

4. an application for exemption from recognition of TMX Group as a clearing house, under the SA, as indirect parent holding company of CDCC

(together, the "Application");

Whereas Maple is a corporation formed by Alberta Investment Management Corporation, Caisse de dépôt et placement du Québec, Canada Pension Plan Investment Board, CIBC World Markets Inc., Desjardins Financial Corporation Inc., Dundee Capital Markets, Fonds de solidarité des travailleurs du Québec (F.T.Q.), GMP Capital Inc., The Manufacturers Life Insurance Company, National Bank Financial & Co. Inc., Ontario Teachers' Pension Plan Board, Scotia Capital Inc. and TD Securities Inc. (individually, an "Original Maple Shareholder", and collectively, the "Original Maple Shareholders");

Whereas Bourse de Montréal Inc. ("Bourse") is a parent holding company of CDCC;

Whereas on November 12, 1987, the Commission des valeurs mobilières du Québec (the "CMVQ") rendered decision No. 8601 (1987), Vol. XVIII, No. 46, B.C.V.M.Q., 3) ("Decision No. 8601") to the effect of recognizing Trans Canada Options Inc. as a self-regulatory organization under section 174 of the SA;

Whereas on December 21, 1995, the CMVQ rendered decision No. 1995-C-0580 (1996), Vol. XXVII, No. 3, B.C.V.M.Q., 25) to the effect of approving, under section 174 of the SA, the amendment to the constating documents of Trans Canada Options Inc. so that its name would be changed to "Corporation Canadienne de Compensation de Produits Dérivés" and in its English version, "Canadian Derivatives Clearing Corporation";

Whereas under section 740 of the *Act respecting the Autorité des marchés financiers,* R.S.Q., c. A-33.2 (the "AAMF"), a clearing house recognized as a self-regulatory organization under the SA as of February 1, 2004 shall be authorized to carry on its activity in Québec in accordance with the prescribed conditions and is subject to section 74 to 91 of the AAMF;

Whereas under section 230 of the DA, a clearing house authorized under Title VI of the SA or a self-regulatory organization recognized under Title III of the AAMF before February 1, 2009, that carries on activities relating to transactions to which the DA applies is authorized to continue to carry on those activities in Québec in accordance with the terms and conditions prescribed by the Autorité under those Acts, or, effective from the date that it determines, in accordance with the new conditions it prescribes under the DA;

Whereas on October 6, 2010, the Autorité rendered decision No. 2010-PDG-0169 to the effect of exempting CDCC from the obligations prescribed in Title VI of the SA regarding the clearing by CDCC of repurchase transactions and cash buy or sell trades of bonds of a Crown corporation of the Government of Canada or of a territory of Canada and Chapter II of Title II of the AAMF regarding the clearing by CDCC of repurchase transactions and cash buy or sell trades of bonds of the Government of Canada or of a territory of Canada and bonds of a Crown corporation of the Government of Canada or of a territory of Canada (2010), Vol. 7, No. 40, B.A.M.F., 1837) ("Decision No. 2010-PDG-0169");

Whereas on May 13, 2011, CDCC submitted to the Autorité an application for recognition as a clearing house under the DA and an application for exemption from recognition as a clearing house under the SA (the "CDCC Application");

Whereas on May 13, 2011, the Autorité published in its Bulletin ((2011), Vol. 8, No. 19, B.A.M.F., 237) a notice of the CDCC Application and invited interested persons to submit their observations in writing, under section 14 of the DA;

Whereas Maple requested that the Autorité treat the CDCC Application in tandem with its own such that they may be addressed in a harmonious and cohesive fashion;

Whereas on October 7, 2011, the Autorité published a notice of the application in its Bulletin (2011), Vol. 8, No. 40, B.A.M.F., 237) and invited interested persons to submit their observations in writing, under section 14 of the *Derivatives Act,* R.S.Q., c. I-14.0 (the "DA") and section 66 of the AAMF;

Whereas the Autorité, on November 24 and 25, 2011, held public hearings on the occasion of which the interested persons were able to present their observations;

Whereas on April 30, 2012, Maple submitted to the Autorité a letter of amendment of the application, acting on the comments formulated, in particular, regarding Maple's governance, including the representation of directors Unrelated to Original Maple Shareholders and the filing with the Autorité of an annual certification by each of the Original Maple Shareholders that it is not acting jointly or in concert with another Original Maple Shareholder, as long as it holds any right to nominate a director to Maple's board of directors or as long as a partner, officer, director or employee of this Original Maple Shareholder is a director on Maple's board of directors, the creation of a Derivatives Committee, and the undertakings made to the Autorité (the "Letter of April 30, 2012");

Whereas on May 2, 2012, the Autorité rendered Decision No. 2012-PDG-0075 ("Decision No. 2012-PDG-0075") to the effect of authorizing Maple and the Original Maple Shareholders to act jointly or in concert as beneficial owners of, or persons exercising control or direction over, voting shares of TMX Group and of the Bourse and to the effect of authorizing the Original Maple Shareholders to act jointly or in concert as beneficial owners of, or persons exercising control or direction over, voting shares of Maple, pursuant to which the Original Maple Shareholders are subjected to obligations.

Whereas under section 12 of the DA, no regulated entity may carry on derivatives activities in Québec unless it is recognized by the Autorité as an exchange, a published market, a clearing house, an information processor or a self-regulatory organization;
Whereas the Autorité, under section 15 of the DA, may recognize a regulated entity on the terms and conditions it determines;

Whereas under section 17 of the DA, the Autorité may, in addition, require a clearing house, in order to carry on its activities, to obtain recognition as a self-regulatory organization under Title III of the AAMF;

Whereas under section 263 of the SA, the Autorité may, on such conditions as it may determine, exempt a person or a group of persons from any or all of the requirements under Titles II to VI or the regulations where it considers the exemption not to be detrimental to the protection of investors;

Whereas the Autorité considers it expedient to grant Maple the recognition as a clearing house in Quebec, as projected parent holding company of TMX Group, subject to Maple's compliance with certain conditions established by this decision and honouring the undertakings made to the Autorité on April 30, 2012 ("Maple's Undertakings");

Whereas Maple's Undertakings with respect to CDCC are repeated as conditions of this decision;

Whereas the Autorité considers it expedient to grant TMX Group the recognition as a clearing house in Quebec, as parent holding company of the Bourse, subject to TMX Group's compliance with certain conditions established by this decision;

Whereas the Autorité considers it expedient to grant the Bourse the recognition as a clearing house in Quebec, as parent holding company of CDCC, subject to the Bourse's compliance with certain conditions established by this decision;

Whereas the Autorité considers it expedient to grant CDCC the recognition as a clearing house in Quebec, subject to CDCC's compliance with certain conditions established by this decision.

Whereas dual regimes could apply to the adoption and amendment of the rules of operation of CDCC related to the clearing by CDCC of derivatives or securities, if an exemption from recognition as a clearing house under the SA were not granted to Maple, TMX Group, the Bourse and CDCC;

Whereas the Autorité considers it expedient to grant Maple the exemption from recognition as a clearing house, as projected parent holding company of TMX Group, to carry on its securities activities in Quebec, subject to Maple's compliance with certain conditions established by this decision and the Maple Undertakings;

Whereas the Autorité considers it expedient to grant TMX Group the exemption from recognition as a clearing house, as parent holding company of the Bourse, to carry on its securities activities in Quebec, subject to TMX Group's compliance with certain conditions established by this decision;

Whereas the Autorité considers it expedient to grant the Bourse the exemption from recognition as a clearing house, as parent holding company of CDCC, to carry on its securities activities in Quebec, subject to the Bourse's compliance with certain conditions established by this decision;

Whereas the Autorité considers it expedient to grant CDCC the exemption from recognition as a clearing house, to carry on its securities activities in Quebec, subject to CDCC's compliance with certain conditions established by this decision;

Whereas the Autorité does not consider it expedient to subject the carrying on of the clearing house activities of Maple, as the projected parent holding company of TMX Group, TMX Group, as the parent holding company of the Bourse, the Bourse, as the parent company of CDCC to obtaining their recognition as self-regulatory organizations under Title III of the AAMF;

Whereas the Autorité considers that the rendering of this decision is not contrary to the public interest;

Therefore:

The Autorité, under section 12 of the DA, recognizes as clearing houses in Quebec:

1. Maple Group Acquisition Corporation;

2. TMX Group Inc.;

3. Bourse de Montréal Inc.; and

4. Canadian Derivatives Clearing Corporation.

The Autorité, under section 263 of the SA, exempts from recognition as clearing houses in Quebec that may carry on securities activities in Quebec:

5. Maple Group Acquisition Corporation;

6. TMX Group Inc.;

7. Bourse de Montréal Inc.; and

8. Canadian Derivatives Clearing Corporation.

The Autorité revokes and replaces Decision No. 8601 and Decision No. 2010-PDG-0169 with this decision.

CONDITIONS

This decision is subject to the terms and conditions set out in Parts I to IV hereinafter.

INTERPRETATION

For the purposes of Parts I to III:

(a) a person resident in Québec means an individual who is considered to be a resident of the Province of Québec under the *Taxation Act,* R.S.Q., c. I-3;

(b) the expressions “control”, “beneficial ownership” and “acting jointly or in concert” have the meaning provided under sections 1.4, paragraph 1.8(5) and section 1.9 of *Regulation 62-104 respecting take-over bids and issuer bids,* R.R.Q., c. V-1.1, r. 35, as amended from time to time, *mutatis mutandis*, and, for greater certainty, including the persons deemed or presumed to be acting jointly or in concert within the meaning of that expression, and the exercise of control or direction over any class or series of voting shares of Maple, TMX Group or the Bourse shall be determined in accordance with section 90 of the SA;

(c) a person is independent if this person fulfills the independence criteria set out in section 1.4 of *Regulation 52-110 respecting Audit Committees,* R.R.Q., c. V-1.1, r. 28, as amended form time to time, but is not independent if this person is:

(i) a partner, director, officer or employee of a "marketplace participant" of a "marketplace" owned or operated by Maple or its affiliates or an associate of a partner, director, officer or employee of a "marketplace participant" of a "marketplace" owned or operated by Maple or its affiliates (in each case, the terms "marketplace participant" and "marketplace" having the definitions as set out in *Regulation 21-101 respecting Marketplace Operation*); or

(ii) a partner, director, officer or employee of a "marketplace participant" of a “marketplace” owned or operated by Maple or its affiliates or an associate of a partner, director, officer or employee of a “marketplace participant” of a "marketplace" owned or operated by Maple (in each case, the terms “marketplace participant” and “marketplace” having the definitions as set out in *Regulation 21-101 respecting Marketplace Operation*) who is responsible for or is actively or significantly engaged in the day-to-day operations and activities of this marketplace participant.

(d) a director is Unrelated to Original Maple Shareholders if this person:

(i) is not a partner, officer or an employee of an Original Maple Shareholder or any of its affiliates (or an associate of that partner, officer or employee) and for this purpose “officer” means (A) a chief executive officer, a chief operating offer, a chief financial officer, a president, a vice-president, a secretary, an assistant secretary, a treasurer, an assistant treasurer and a manager, (B) every individual who is designated as an officer under a by-law or similar authority, and (C) every individual who performs functions similar to those normally performed by an individual referred to in clause (A) or (B) ;

(ii) is not nominated under a Maple Nomination Agreement;

(iii) is not a director of an Original Maple Shareholder or any of its affiliates (or an associate of that director); and

(iv) does not have, and has not had, any relationship with an Original Maple Shareholder that could, in the opinion of Maple’s Governance Committee having regard to all relevant circumstances, be reasonably perceived to interfere with the exercise of his or her independent judgment as a director of Maple; and

(e) the Maple Governance Committee may waive the restrictions set out in subparagraph (d)(iii) above provided that:

(i) the individual being considered does not have, and has not had, any relationship with an Original Maple Shareholder that could, in the view of Maple’s Governance Committee having regard to all relevant circumstances, be reasonably perceived to interfere with the exercise of his or her independent judgment as a director of Maple;

(ii) Maple publicly discloses use of the waiver with reasons of why the particular candidate was selected;

(iii) Maple provides advance notice to the Autorité, at least 15 business days before the public disclosure in subparagraph (e)(ii) is made; and

(iv) the Autorité does not object within 15 business days of the notice received under subparagraph (e)(iii).

For the purposes of Section V of Part I, Section IV of Part II, Section IV of Part III and Section III of Part IV

(a) all references to derivatives (whether exchange traded, over-the-counter or otherwise) and related products pertain to (i) equity, interest rate, currency, index and exchange traded fund derivatives, (ii) the clearing of fixed income transactions (fixed income transactions means "Repurchase Transactions" and "Cash Buy or Sell Trades" on securities that are eligible for Repurchase Transactions (i.e., on "Acceptable Securities"), with each of these capitalized terms having the meaning given thereto in the Canadian Derivatives Clearing Corporation ("CDCC") Rules), and (iii) other types of derivatives and related products under the responsibility of the Bourse or CDCC, as the case may be, on the date hereof or which may reasonably be developed under the responsibility thereof, but excludes iv) the types of derivatives and related products under the responsibility of Natural Gas Exchange Inc., Shorcan Brokers Limited and Shorcan Energy Brokers Inc. on the date hereof or which may reasonably be developed under the responsibility thereof.

PART I – MAPLE

I. SHARE OWNERSHIP

(a) No person or company and no combination of persons or companies acting jointly or in concert shall beneficially own or exercise control or direction over more than ten percent (10%) of any class or series of voting shares of Maple, without the prior approval of the Autorité.

(b) Maple shall promptly inform the Autorité in writing, if it becomes aware that any person or company or any combination of persons or companies acting jointly or in concert beneficially own or exercises control or direction over more than ten percent (10%) of any class or series of voting shares of Maple without having obtained the prior approval of the Autorité, and Maple shall take the necessary steps to immediately remedy the situation, in compliance with Maple's articles of incorporation.

(c) Maple shall promptly inform the Autorité in writing of any agreement related to the exercise of voting rights attached to the common shares of Maple, of which it has been informed.

II. GOVERNANCE STRUCTURE

(a) Arrangements made by Maple shall ensure fair, meaningful and diverse representation of the interested parties, given the nature and structure of Maple, TMX Group, the Bourse and CDCC, on Maple's board of directors and any Maple board committees, and the maintenance of a reasonable number and proportion of directors unrelated to Maple, TMX Group, the Bourse and CDCC, and their participants, clearing members, users of services or clearing house facilities, or shareholders, for the purpose of ensuring the diversity of the board.

(b) Maple's board of directors shall be comprised of:

(i) such number of directors who are independent and represent at least 50% of the total number of directors nominated for election;

(ii) such number of directors who are resident of the Province of Québec and represent at least 25% of the total number of directors nominated for election;

(iii) such number of directors who have expertise in derivatives and represent at least 25% of the total number of directors nominated for election; and

(iv) one director drawn from the Canadian independent investment dealer community (for greater certainty, excluding investment dealers which are affiliates of Canadian Schedule I banks under the *Bank Act*, SC 1991, c 46 (the "Bank Act")) and for so long as a Maple Nomination Agreement is in effect, that is Unrelated to Original Maple Shareholders.

(c) Maple's governance structure shall provide:

(i) for an independent director to be selected for the position of chair of the board of Maple;

(ii) that so long as a Maple Nomination Agreement entitling an Original Maple Shareholder to nominate a

candidate for election to a position on Maple's board of directors is in force between Maple and an Original Maple Shareholder, at least 50% of the directors, excluding the chief executive officer of Maple if he or she is also a director, will be Unrelated to Original Maple Shareholders; and

(iii) for a revised code of conduct and ethics and a revised written policy concerning potential conflicts of interest of members of the board of directors and committees and the officers of Maple, which provides for disclosure of interests and the possibility for a person to withdraw from a file or a decision, to be filed with the Autorité within the year following the date of this decision.

Maple shall take reasonable steps to ensure that each director of Maple is a fit and proper person and that the past conduct of each director affords reasonable grounds for belief that the director will perform his or her duties with integrity.

Any amendment to Maple's code of conduct and ethics and written conflict of interest policy must be filed with the Autorité, forthwith upon its approval.

(d) Unless it obtains the prior authorization of the Autorité to make changes, Maple will maintain identical boards of directors for Maple, TMX Group and the Bourse.

(e) Maple shall establish and maintain a committee of Maple's board of directors called the Governance Committee that:

(i) will be made up of independent directors and, for so long as any Maple Nomination Agreement is in effect, a majority of members that are Unrelated to Original Maple Shareholders;

(ii) will confirm the status of nominees to the board of directors as independent and/or Unrelated to Original Maple Shareholders, as appropriate, before the individual is submitted to shareholders as a nominee for election to the Maple board;

(iii) will confirm on an annual basis that the status of the directors that are independent or Unrelated to Original Maple Shareholders, as appropriate, has not changed;

(iv) will assess and approve all nominees of management to the Maple board of directors, and any nominees pursuant to any Maple Nomination Agreement; and

(v) will establish that the quorum consists of a majority of independent directors, and, for so long as any Maple Nomination Agreement is in effect, a majority of directors that are Unrelated to Original Maple Shareholders.

(f) Maple shall establish and maintain a committee of Maple's board of directors called the Derivatives Committee, in accordance with Maple's Undertakings.

(g) Maple shall ensure that the Bourse maintains the Special Committee - Regulatory Division, at least 50% of the members of which will be comprised of individuals who have expertise in derivatives.

(h) Maple shall ensure that it publishes the charter of the board of directors and the charters of the board committees, including the standards and criteria of a person's independence, on its Internet site. Maple shall obtain the Autorité's prior approval before proceeding with any change to the charter of its board of directors and the charters of the board committees.

(i) Maple shall obtain the prior approval of the Autorité before entering into any nomination agreement with a person or company who or which is not a party to a Maple Nomination Agreement as at the date of this decision.

(j) If, at a given time, Maple does not satisfy the requirements of this section regarding the governance structure, it shall remedy this situation promptly.

III. GOVERNANCE REVIEW

(a) No later than three years after the effective date of this decision, or at any time required by the Autorité, Maple shall engage an independent consultant or consultants acceptable to the Autorité, to prepare a report assessing the governance structure of Maple, TMX Group, the Bourse and CDCC (the "Governance Review").

(b) Maple shall deliver the report to its board of directors promptly after its completion and then to the Autorité within 30 days of its delivery to the board of directors.

(c) The Governance Review shall include at least:

(i) a review of the composition of the board of directors and committees of Maple, TMX Group, the Bourse and CDCC, in particular whether the composition of such boards of directors and committees continues to fulfill the criteria of fair, meaningful and diverse representation;

(ii) a review of the impacts of all the compositional requirements of the board of directors with which Maple must comply and its ability to comply with them;

(iii) a review of appropriateness and effectiveness of identical boards of directors for Maple, TMX Group and the Bourse; and

(iv) a review of how the Maple Governance Committee fulfills its mandate and performs its role and its functions.

IV. CHANGE OF OWNERSHIP

(a) Maple will not complete or authorize a transaction that would result in any person or company or any combination of persons or companies acting jointly or in concert, beneficially owning or exercising control or direction over more than ten percent (10%) of any class or series of voting shares of TMX Group, the Bourse or CDCC, without obtaining the prior authorization of the Autorité.

(b) Maple must continue to own, directly or indirectly, all of the issued and outstanding voting shares of TMX Group, the Bourse and CDCC.

(c) Maple will not complete or authorize a transaction that would result in more than 50% of any class or series of voting shares of TMX Group, the Bourse or CDCC ceasing to be controlled by Maple, directly or indirectly, without obtaining the prior authorization of the Autorité and complying with the terms and conditions that the Autorité might establish in the public interest.

V. CONTINUITY OF ACTIVITIES IN QUÉBEC

(a) The head office and executive office of CDCC and any business unit established under paragraph 0 will be or will continue to be located in Montréal. The mind and management of CDCC and any business unit established under paragraph 0 responsible for overseeing the annual operating plans and budgets thereof will be or will continue to be located in Montréal.

(b) The most senior officer of Maple (other than Maple's chief executive officer) with direct responsibility for CDCC and any business unit established under paragraph 0 shall be a resident of the Province of Québec at the time of his or her appointment, or as soon as reasonably practicable thereafter, and for the duration of his or her term of office and shall work in Montréal. The executives responsible for managing the development and execution of the policy and direction of CDCC and any business unit established under paragraph 0 will remain sufficient to permit such most senior officer to execute his or her responsibilities and will work in Montréal.

(c) If Maple establishes a clearing house in Canada (or participates in a joint venture or a partnership) for clearing of derivatives that are presently over-the-counter derivatives, that clearing house (or the principal Maple business unit that manages Maple's interest in that joint venture or partnership) will comply with the foregoing paragraphs a and b.

(d) Maple will not do anything to cause CDCC, directly or indirectly, to cease (a) to be a Canadian national clearing agency for the clearing of derivatives and related products, including being the sole clearing agency for trades in derivatives that are exchange traded on the Bourse, and (b) its development as a leading clearing agency for fixed income transactions, without obtaining the prior authorization of the Autorité and complying with any terms and conditions that the Autorité may set in the public interest in connection with any change to CDCC's operations.

(e) Maple will maintain, and continue to develop, Montréal as a centre of excellence in derivatives and a hub of attraction for Maple's derivatives trading and related products operations, including over-the-counter derivatives.

(f) Maple will use commercially reasonable efforts to continue to grow the business of clearing of derivatives and related products in Montréal.

(g) If CDCC determines from time to time to export its expertise in clearing of derivatives and related products, such international activity will be directed from Montréal.

(h) Maple will ensure that further enhancements to the SOLA application software will be developed in Montréal.

(i) Maple will submit annually to the Autorité, within 30 days of its approval by the board of directors, its strategic plan for its activities, including derivatives and related products, equity securities and fixed income securities. The strategic plan will address the progress achieved during the past year in the fulfillment of the previous strategic plan for derivatives and related products.

VI. LANGUAGE OF SERVICES

(a) Maple will ensure that it maintains:

(i) the broad range of CDCC's services in Québec required to be offered hereunder, in French and English, including with respect to membership, clearing and settlement services and supervision of CDCC;

(ii) simultaneous availability in French and English of any information documents of CDCC intended for the clearing members or for the public; and

(iii) French as the language used in all communications and correspondence with the Autorité.

VII. ALLOCATION OF COSTS

The costs or expenses borne by Maple, TMX Group, the Bourse and CDCC, and indirectly by the users of the services of Maple, TMX Group, the Bourse and CDCC, for each of the services offered by Maple, TMX Group, the Bourse and CDCC, shall not include the costs or expenses incurred by Maple, TMX Group, the Bourse or CDCC in connection with any activity carried on by Maple, TMX Group, the Bourse or CDCC that is unrelated to this service.

VIII. INTERNAL COST ALLOCATION MODEL AND TRANSFER PRICING

(b) Maple must obtain prior Autorité approval before the implementation of any internal cost allocation model and any policies with respect to the allocation of costs or transfer of prices, and any amendments thereto, between Maple and its affiliates.

(c) Maple must annually engage an independent auditor to conduct a review and prepare a written report in accordance with established audit standards regarding compliance by Maple and its affiliates with the internal cost allocation model and transfer pricing policies.

(d) Maple must provide the written report of the independent auditor to its board of directors promptly after the report's completion and then to the Autorité within 30 days of providing it to its board of directors.

IX. FEES

(a) Maple shall ensure that all fees imposed by Maple, TMX Group, the Bourse and CDCC are reasonable and equitably allocated, the process for setting fees is fair and appropriate, and the fee model is transparent.

(b) Within three years of the effective date of this decision and every three years thereafter, or at any other time determined by the Autorité, Maple shall:

(i) conduct a review of the fees and fee models of Maple, TMX Group, the Bourse and CDCC that are related to the trading, clearing, settlement, depository, data transmission or other services specified by the Autorité that includes, among other things, a benchmarking or other comparison of the fees and fee models against the fees and fee models of similar services in other jurisdictions; and

(ii) file the report with its board of directors promptly after the report's completion and then to the Autorité, within 30 days following its filing with the board of directors.

X. RESOURCES

(e) Subject to paragraph (b) and for so long as TMX Group, the Bourse and CDCC carry on clearing house activities, Maple shall ensure that TMX Group, the Bourse and CDCC have sufficient financial and other resources to ensure their financial viability and the proper performance of their functions.

(f) Maple shall promptly notify the Autorité upon becoming aware that it is no longer or will no longer be able to allocate sufficient financial or other resources to TMX Group, the Bourse or CDCC to ensure their financial viability and the performance of their clearing house functions, in a manner that is consistent with the public interest and in accordance with the terms and conditions of this decision.

XI. MATERIAL INTEGRATION AND OPERATION

(a) Maple shall obtain the Autorité's prior approval before implementing any material integration, combination, merger or restructuring of businesses, operations or corporate functions related to trading, clearing and settlement of the exchange and clearing house operations between Maple and its affiliates.

(b) Maple shall promptly notify the Autorité of any other integration, combination or restructuring of businesses, operations or corporate functions related to trading, clearing and settlement of the exchange and clearing house operations between Maple and its affiliates.

(c) Maple shall promptly notify the Autorité of any decision to implement any transaction likely to have material consequences for Maple, TMX Group, the Bourse or CDCC, including:

(i) any material alliance or merger, combination or acquisition transaction;

(ii) any shareholder agreement or reciprocal membership agreement involving Maple, TMX Group, the Bourse or CDCC;

(iii) any listing on the exchange of one of its subsidiaries, including the clearing houses, or any public offering by its subsidiaries.

(d) Maple shall promptly notify the Autorité of any decision to engage, either directly or through an affiliate, in a new material business activity or to cease to carry on a material business activity operated at that time by Maple, TMX Group, the Bourse or CDCC.

XII. FINANCIAL REPORTS

(a) Maple shall file with the Autorité its annual audited consolidated financial statements, its annual unaudited non-consolidated financial statements without notes, its quarterly unaudited consolidated financial statements without notes, and its quarterly unaudited non-consolidated financial statements without notes, in accordance with the time limit prescribed in the Reports and Documents to be Submitted table, found in Appendix A of this decision.

(b) Maple shall file with the Autorité its annual budget, accompanied by the underlying assumptions, approved by its board of directors in accordance with the time limit prescribed in the Reports and Documents to be Submitted table, found in Appendix A of this decision.

XIII. RISK MANAGEMENT

(a) Maple shall have adequate risk management measures related to its activities.

(b) Maple shall provide notice to the Autorité before making any material change to its organizational structure or to that of TMX Group, the Bourse or CDCC or in the manner in which it and its subsidiaries exercise their functions, powers and activities, when such a measure is likely to have an impact on CDCC's internal controls.

(c) Maple shall file its annual risk assessment, including the commercial risks and its plans to respond to these risks, at least once a year or at the Autorité's request, in accordance with the time limit prescribed in the Reports and Documents to be Submitted table, found in Appendix A of this decision.

(d) Maple shall file with the Autorité any other internal audit report or risk management report in accordance with the time limit prescribed in the Reports and Documents to be Submitted table, found in Appendix A of this decision.

(e) Maple shall file any document requested by the Autorité under a risk-based supervisory approach to be developed by the Autorité in accordance with Appendix A.

XIV. ACCESS TO INFORMATION

(a) Maple shall make available and ensure that its subsidiaries make available to the Autorité, on request, all the data and information in their possession and which the Autorité needs to evaluate the performance by Maple, TMX Group, the Bourse and CDCC of their regulatory functions and the compliance of these entities with the conditions of the Autorité's decisions.

(b) The disclosure or sharing of information by Maple or any affiliate pursuant to this decision is subject to any confidentiality provisions contained in agreements entered into with the Bank of Canada pertaining to information received from the Bank of Canada.

XV. COMPLIANCE

(a) Maple shall carry on its clearing house activities, in accordance with the applicable requirements of the DA and the SA.

(b) Maple will ensure that TMX Group, the Bourse and CDCC comply with the terms and conditions of this decision.

XVI. NON-COMPLIANCE

(a) If Maple fails to comply with any of the terms and conditions set forth in this decision or in Maple's undertakings, the Autorité may amend, suspend or revoke this decision, in whole or in part.

XVII. APPLICABLE LAW

(a) Maple shall comply with applicable law in Québec.

PART II – TMX GROUP

VII. SHARE OWNERSHIP

(a) No person or company and no combination of persons or companies acting jointly or in concert shall beneficially own or exercise control or direction over more than ten percent (10%) of any class or series of voting shares of TMX Group, without the prior approval of the Autorité, except for Maple.

(b) TMX Group shall promptly inform the Autorité in writing, if it becomes aware that any person or company, other than Maple, or any combination of persons or companies acting jointly or in concert beneficially owns or exercises control or direction over more than ten percent (10%) of any class or series of voting shares of TMX Group without having obtained the prior approval of the Autorité, and TMX Group shall take the necessary steps to immediately remedy the situation.

(c) TMX Group shall promptly inform the Autorité in writing of any change in its share ownership.

(d) TMX Group shall promptly inform the Autorité in writing of any agreement related to the exercise of voting rights attached to the common shares of TMX Group, of which it has been informed.

VIII. GOVERNANCE STRUCTURE

(a) Arrangements made by TMX Group shall ensure fair, meaningful and diverse representation of the interested parties, given the nature and structure of TMX Group, the Bourse and CDCC, on TMX Group's board of directors and any TMX Group board committees, and the maintenance of a reasonable number and proportion of directors unrelated to TMX Group, the Bourse and CDCC, and their participants, clearing members, users of services or clearing house facilities, or shareholders, for the purpose of ensuring the diversity of the board.

(b) TMX Group's board of directors shall be comprised of:

(i) such number of directors who are independent and represent at least 50% of the total number of directors nominated for election;

(ii) such number of directors who are resident of the Province of Québec and represent at least 25% of the total number of directors nominated for election;

(iii) such number of directors who have expertise in derivatives and represent at least 25% of the total number of directors nominated for election; and

(iv) one director drawn from the Canadian independent investment dealer community (for greater certainty, excluding investment dealers which are affiliates of Canadian Schedule I banks under the Bank Act) and for so long as a Maple Nomination Agreement is in effect, is Unrelated to Original Maple Shareholders.

(c) The TMX Group governance structure shall provide:

(i) for an independent director to be selected for the position of chair of the board of TMX Group;

(ii) that so long as a Maple Nomination Agreement entitling an Original Maple Shareholder to nominate a candidate for election to a position on Maple's board of directors is in force between Maple and an Original Maple Shareholder, at least 50% of the directors of TMX Group, excluding the chief executive officer of Maple if he or she is also a director, will be Unrelated to Original Maple Shareholders; and

(iii) for a revised code of conduct and ethics and a revised written policy concerning potential conflicts of interest of members of the board of directors and committees and the officers of TMX Group, which provides for disclosure of interests and the possibility for a person to withdraw from a file and/or a decision, to be filed with the Autorité within the year following the date of this decision.

TMX Group shall take reasonable steps to ensure that each director of TMX Group is a fit and proper person and that the past conduct of each director affords reasonable grounds for belief that the director will perform his or her duties with integrity.

Any amendment to TMX Group's code of conduct and ethics and written conflict of interest policy must be submitted to the Autorité, forthwith upon its approval.

(d) TMX Group shall ensure that it publishes the charter of the board of directors and the charters of any board committees, including the standards and criteria of a person's independence, on its Internet site. TMX Group shall obtain the Autorité's prior approval before proceeding with any change to the charter of its board of directors and the charters of any board committees.

(e) If, at a given time, TMX Group does not satisfy the requirements of this section regarding the governance structure, it shall remedy this situation promptly

IX. CHANGE OF OWNERSHIP

(a) TMX Group will not complete or authorize a transaction that would result in any person or company, or any combination of persons or companies acting jointly or in concert, beneficially owning or exercising control or direction over more than ten percent (10%) of any class or series of voting shares of the Bourse or CDCC, without obtaining the prior authorization of the Autorité**.**

(b) TMX Group shall continue to be the owner, directly or indirectly, of all the issued and outstanding voting shares of the Bourse and of CDCC.

(c) TMX Group will not complete or authorize any transaction that would result in more than 50% of any class or series of voting shares of the Bourse or CDCC ceasing to be controlled by TMX Group, directly or indirectly, without obtaining the prior authorization of the Autorité and complying with the terms and conditions that the Autorité might establish in the public interest.

X. CONTINUITY OF ACTIVITIES IN QUÉBEC

(a) The head office and executive office of CDCC will remain in Montréal. The mind and management of CDCC responsible for overseeing the annual operating plans and budgets thereof will remain in Montréal.

(b) The most senior officer of Maple (other than Maple's chief executive officer) with direct responsibility for CDCC shall be a resident of the Province of Québec at the time of his or her appointment, or as soon as reasonably

practicable thereafter, and for the duration of his or her term of office, and shall work in Montréal. The executives responsible for managing the development and execution of the policy and direction of CDCC will continue to be sufficient to permit such most senior officer to execute his or her responsibilities and will work in Montréal.

(c) TMX Group will not do anything to cause CDCC, directly or indirectly, to cease (a) to be a Canadian national clearing agency for the clearing of derivatives and related products, including being the sole clearing agency for trades in derivatives that are exchange traded on the Bourse, and (b) its development as a leading clearing agency for fixed income transactions, without obtaining the prior authorization of the Autorité and complying with any terms and conditions that the Autorité may set in the public interest in connection with any change to CDCC's operations.

(d) If CDCC determines from time to time to export its expertise in clearing of derivatives and related products, such international activity will be directed from Montréal.

(e) TMX Group will submit annually to the Autorité, within 30 days of its approval by the board of directors, its strategic plan for its activities, including derivatives and related products, equity securities and fixed income securities. The strategic plan will address the progress achieved during the past year in the fulfillment of the previous strategic plan for derivatives and related products.

XI. LANGUAGE OF SERVICES

(a) TMX Group shall ensure that it maintains:

(i) the broad range of CDCC's services in Québec required to be offered hereunder, in French and English, including with respect to membership, clearing and settlement services and supervision of CDCC;

(ii) simultaneous availability in French and English of any information documents of CDCC intended for the clearing members or for the public; and

(iii) French as the language used in all communications and correspondence with the Autorité.

XII. ALLOCATION OF COSTS

The costs or expenses borne by TMX Group, the Bourse and CDCC, and indirectly by the users of the services of TMX Group, the Bourse and CDCC, for each of the services offered by TMX Group, the Bourse and CDCC, shall not include the costs or expenses incurred by TMX Group, the Bourse and CDCC in connection with any activity carried on by TMX Group, the Bourse or CDCC that is unrelated to this service.

XIII. FEES

TMX Group will ensure that all the fees imposed by TMX Group, the Bourse and CDCC are reasonably and equitably allocated, the process for setting fees is fair and appropriate, and the fee model is transparent.

XIV. RESOURCES

(a) Subject to paragraph (b) and for so long as the Bourse and CDCC carry on clearing house activities, TMX Group shall ensure that the Bourse and CDCC have sufficient financial and other resources to ensure their financial viability and the proper performance of their functions.

(b) TMX Group shall promptly notify the Autorité upon becoming aware that it is no longer or will no longer be able to allocate sufficient financial or other resources to the Bourse or CDCC to ensure their financial viability and the performance of their clearing house functions, in a manner that is consistent with the public interest and in accordance with the terms and conditions of this decision.

XV. FINANCIAL REPORTS

(a) TMX Group shall file with the Autorité its annual audited consolidated financial statements, its annual unaudited non-consolidated financial statements without notes, its quarterly unaudited consolidated financial statements without notes, and its quarterly unaudited non-consolidated financial statements without notes, in accordance with the time limit prescribed in the "Reports and Documents to be Submitted" table, found in Appendix A of this decision.

(b) TMX Group shall file with to the Autorité its annual budget, accompanied by the underlying assumptions, approved by its board of directors in accordance with the time limit prescribed in the Reports and Documents to be Submitted table, found in Appendix A of this decision.

XVI. RISK MANAGEMENT

(a) TMX Group shall have adequate risk management measures related to its activities.

(b) TMX Group provide notice to the Autorité before making any material change to its organizational structure or to that of the Bourse or CDCC or in the manner in which it and its subsidiaries exercise their functions, powers and activities, when such a measure is likely to have an impact on CDCC's internal controls.

(c) TMX Group shall file its annual risk assessment, including the commercial risks and its plans to respond to these risks, at least once a year or at the Autorité's request, in accordance with the time limit prescribed in the Reports and Documents to be Submitted table, found in Appendix A of this decision.

(d) TMX Group shall file with the Autorité any other internal audit report or risk management report in accordance with the time limit prescribed in the Reports and Documents to be Submitted table, found in Appendix A of this decision.

(e) TMX Group shall file any document requested by the Autorité under a risk-based supervisory approach to be developed by the Autorité in accordance with Appendix A.

XVII. ACCESS TO INFORMATION

(a) TMX Group shall make available and ensure that its subsidiaries make available to the Autorité, on request, all the data and information in their possession and which the Autorité needs to evaluate the performance by TMX Group, the Bourse and CDCC of their regulatory functions and the compliance of these entities with the conditions of the Autorité's decisions.

(b) The disclosure or sharing of information by TMX Group or any affiliate pursuant to this decision is subject to any confidentiality provisions contained in agreements entered into with the Bank of Canada pertaining to information received from the Bank of Canada.

XVIII. COMPLIANCE

(a) TMX Group shall carry on its clearing house activities, in accordance with the applicable requirements of the DA and the SA.

(b) TMX Group will ensure that the Bourse and CDCC comply with the terms and conditions of this decision.

XIX. NON-COMPLIANCE

If TMX Group fails to comply with any of the terms and conditions set forth in this decision, the Autorité may amend, suspend or revoke this decision, in whole or in part.

XX. APPLICABLE LAW

(a) TMX Group shall comply with applicable law in Québec.

PART III - BOURSE

XXI. SHARE OWNERSHIP

(a) No person or company and no combination of persons or companies acting jointly or in concert shall beneficially own or exercise control or direction over more than ten percent (10%) of any class or series of voting shares of the Bourse without the prior approval of the Autorité, with the exception of Maple and TMX Group.

(b) The Bourse shall promptly inform the Autorité in writing, if it becomes aware that any person or company or any combination of persons or companies acting jointly or in concert beneficially own or exercises control or direction over more than ten percent (10%) of any class or series of voting shares of the Bourse without having obtained the prior approval of the Autorité, and the Bourse shall take the necessary steps to immediately remedy the situation.

(c) The Bourse shall promptly inform the Autorité in writing of any change in its share ownership.

(d) The Bourse shall promptly inform the Autorité in writing of any agreements related to the exercise of voting rights attached to the common shares of the Bourse, of which it has been informed.

XXII. GOVERNANCE STRUCTURE

(a) Arrangements made by the Bourse shall ensure fair, meaningful and diverse representation of the interested parties, given the nature and structure of the Bourse and CDCC, on the Bourse's board of directors and any Bourse board committees, and the maintenance of a reasonable number and proportion of directors unrelated to the Bourse and CDCC, and their participants, clearing members, users of services or clearing house facilities, or shareholders, for the purpose of ensuring the diversity of the board.

(b) The Bourse's board of directors shall be comprised of:

(i) such number of directors who are independent and represent at least 50% of the total number of directors nominated for election;

(ii) such number of directors who are resident of the Province of Québec and represent at least 25% of the total number of directors nominated for election;

(iii) such number of directors who have expertise in derivatives and represent at least 25% of the total number of directors nominated for election; and

(iv) one director drawn from the Canadian independent investment dealer community (for greater certainty, excluding investment dealers which are affiliates of Canadian Schedule I banks under the Bank Act) and for so long as a Maple Nomination Agreement is in effect, that is Unrelated to Original Maple Shareholders;

(c) The Bourse's governance structure shall provide:

(i) for an independent director to be selected for the position of chair of the board of the Bourse;

(ii) that as long as a Maple Nomination Agreement entitling an Original Maple Shareholder to nominate a candidate for election to a position on Maple's board of directors is in force between Maple and an Original Maple Shareholder, at least 50% of the directors of the Bourse, excluding the chief executive officer of Maple if he or she is also a director, will be Unrelated to Original Maple Shareholders;

(iii) for appropriate arrangements relating to qualifications and remuneration, limitation of liability and indemnification measures for directors, officers and employees generally;

(iv) for a revised code of conduct and ethics and a revised written policy concerning potential conflicts of interest of members of the board of directors and committees and the officers of the Bourse, including the Division and the Special Committee, which provides for disclosure of interests and the possibility for a person to withdraw from a file or a decision, to be filed with the Autorité within the year following the date of this decision.

The Bourse shall take reasonable steps to ensure that each director of the Bourse is a fit and proper person and that the past conduct of each director affords reasonable grounds for belief that the director will perform his or her duties with integrity.

Any amendment to the Bourse's code of conduct and ethics and written conflict of interest policy must be submitted to the Autorité, forthwith upon its approval.

(d) The Bourse shall ensure that the quorum for meetings of the directors is not less than the majority of the directors holding office.

(e) The Bourse shall ensure that it publishes the charter of the board of directors and the charters of any board committees, including the standards and criteria of a person's independence, on its Internet site. The Bourse shall obtain the Autorité's prior approval before proceeding with any change to the charter of its board of directors and the charters of any board committees.

(f) If, at any time, the Bourse does not satisfy the requirements of this section regarding the governance structure, it shall remedy the situation promptly.

XXIII. CHANGE OF OWNERSHIP

(a) The Bourse will not complete or authorize a transaction that would result in any person or company, or any combination of persons or companies acting jointly or in concert, beneficially owning or exercising control or direction over more than ten percent (10%) of any class or series of voting shares of CDCC, without obtaining the prior authorization of the Autorité.

(b) The Bourse shall continue to be the owner, directly or indirectly, of all the issued and outstanding voting shares of CDCC.

(c) The Bourse will not complete out or authorize any transaction that would result in more than 50% of any class or series of voting shares of CDCC ceasing to be controlled by the Bourse, directly or indirectly, without obtaining the prior authorization of the Autorité and complying with the terms and conditions that the Autorité might establish in the public interest.

XXIV. CONTINUITY OF ACTIVITIES IN QUÉBEC

(a) The head office and executive office of CDCC will remain in Montréal. The mind and management of CDCC responsible for overseeing the annual operating plans and budgets thereof will remain in Montréal.

(b) The most senior officer of Maple (other than Maple's chief executive officer) with direct responsibility for CDCC shall be a resident of the Province of Québec at the time of his or her appointment, or as soon as reasonably practicable thereafter, and for the duration of his or her term of office and shall work in Montréal. In addition, the executives responsible for managing the development and execution of the policy and direction of CDCC will continue to be sufficient to permit such most senior officer to execute his or her responsibilities, and will work in Montréal.

(c) The Bourse will not do anything to cause CDCC, directly or indirectly, to cease (a) to be a Canadian national clearing agency for the clearing of derivatives and related products, including being the sole clearing agency for trades in derivatives that are exchange traded on the Bourse, and (b) its development as a leading clearing agency for fixed income transactions, without obtaining the prior authorization of the Autorité and having complied with any terms and conditions that the Autorité may impose in the public interest in connection with any change to CDCC's operations.

(d) If CDCC determines from time to time to export its expertise in clearing of derivatives and related products, such international activity will be directed from Montréal.

(e) The Bourse will submit annually to the Autorité, within 30 days of its approval by the board of directors, its strategic plan for its activity, including derivatives and related products, equity securities and fixed income securities. The strategic plan will address the progress achieved during the past year in the fulfillment of the previous strategic plan for derivatives and related products.

XXV. LANGUAGE OF SERVICES

(a) The Bourse will ensure that it maintains:

(i) the broad range of CDCC's services in Québec required to be offered hereunder, in French and English, including with respect to membership, clearing and settlement services and supervision of CDCC;

(ii) simultaneous availability in French and English of any information documents of CDCC intended for clearing members or for the public; and

(iii) French as the language used in all communications and correspondence with the Autorité.

XXVI. ALLOCATION OF COSTS

The costs or expenses borne by the Bourse and CDCC, and indirectly by the users of the Bourse's and CDCC's services, for each of the services offered by the Bourse and CDCC, shall not include the costs or expenses incurred by the Bourse or CDCC in the connection with any activity carried on by the Bourse or CDCC that is unrelated to this service.

XXVII. FEES

The Bourse will ensure that all the fees imposed by the Bourse and CDCC are reasonably and equitably allocated, the process for setting fees is fair and appropriate, and the fee model is transparent.

XXVIII. RESOURCES

(a) Subject to paragraph (b) and for so long as CDCC carries on its clearing house activities, the Bourse shall allocate to CDCC sufficient financial and other resources to ensure its financial viability and the proper performance of its functions.

(b) The Bourse shall promptly notify the Autorité upon becoming aware that it is no longer or will no longer be able to allocate sufficient financial or other resources to CDCC to ensure CDCC's financial viability and the performance of its clearing house functions, in a manner that is consistent with the public interest and in accordance with the terms and conditions of this decision.

XXIX. FINANCIAL REPORTS

(a) The Bourse shall file with the Autorité its annual audited consolidated financial statements, its annual unaudited non-consolidated financial statements without notes, its quarterly unaudited consolidated financial statements without notes, and its quarterly unaudited non-consolidated financial statements without notes, in accordance with the time limit prescribed in the Reports and Documents to be Submitted table, found in Appendix A of this decision.

(b) The Bourse shall file with the Autorité its annual budget, accompanied by the underlying assumptions, approved by its board of directors in accordance with the time limit prescribed in the Reports and Documents to be Submitted table, found in Appendix A of this decision.

XXX. RISK MANAGEMENT

(a) The Bourse shall have adequate risk management measures related to its activities.

(b) The Bourse shall provide notice to the Autorité before making any material change to its organizational structure or to that of CDCC or in the manner in which it and its subsidiary exercise their functions, powers and activities, when such a measure is likely to have an impact on CDCC's internal controls.

(c) The Bourse shall file its annual risk assessment, including the commercial risks and its plan to respond to these risks, at least once a year or at the Autorité's request, in accordance with the time limit prescribed in the Reports and Documents to be Submitted table, found in Appendix A of this decision.

(d) The Bourse shall file with the Autorité any other internal audit report or risk management report, in accordance with the time limit prescribed in the Reports and Documents to be Submitted table, found in Appendix A of this decision.

(e) The Bourse shall file any document requested by the Autorité under a risk-based supervisory approach to be developed by the Autorité in accordance with Appendix A.

XXXI. ACCESS TO INFORMATION

(a) The Bourse shall make available and ensure that its subsidiaries make available to the Autorité, on request, all the data and information in their possession and which the Autorité needs to evaluate the performance by the Bourse and CDCC of their regulatory functions and the compliance of these entities with the conditions of the Autorité's rulings.

(b) The disclosure or sharing of information by the Bourse or any of its affiliate pursuant to this decision is subject to any confidentiality provisions contained in agreements entered into with the Bank of Canada pertaining to information received from the Bank of Canada.

XXXII. COMPLIANCE

(a) The Bourse shall carry on its clearing house activities, in accordance with the applicable requirements of the DA and of the SA.

(b) The Bourse will ensure that CDCC complies with the terms and conditions of this decision.

XXXIII. NON-COMPLIANCE

If the Bourse fails to comply with any of the terms and conditions set forth in this decision, the Autorité may amend, suspend or revoke this decision, in whole or in part.

XXXIV. APPLICABLE LAW

The Bourse shall comply with applicable law in Québec.

PART IV - CDCC

INTERPRETATION

For purposes of this part,

(a) a person resident in the Province of Québec means an individual who is considered to be a resident of the Province of Québec under the *Taxation Act,* R.S.Q., c. I-3;

(b) an independent director means a person who is not:

(i) an associate, partner, director, officer or employee of a Significant Maple Shareholder;

(ii) an associate, partner, director, officer or employee of a member of CDCC or such member's affiliates or an associate of such partner, director, officer or employee;

(iii) an associate, partner, director, officer or employee of a marketplace that clears through CDCC or such marketplace's affiliates or an associate of such partner, director, officer or employee; or

(iv) an officer or employee of CDCC or its affiliates or an associate of such officer or employee.

(c) "Significant Maple Shareholder" means a shareholder of Maple who:

(i) beneficially owns or exercises control or direction over more than 5% of the outstanding shares of Maple, provided, however, that the acquisition of additional Maple shares in connection with the following activities shall not be included for purposes of determining whether the 5% threshold has been exceeded:

(A) investment activities on behalf of a Significant Maple Shareholder or its affiliates where such investments are made (A) by a bona fide third party investment manager with discretionary authority (subject to such retained discretion in order for a Significant Maple Shareholder or its affiliates to fulfill its fiduciary duties); or (B) by an investment fund or other pooled investment vehicle in which the Significant Maple Shareholder or its affiliate has directly or indirectly invested and which is managed by a third party who has not been provided with confidential, undisclosed information about Maple;

(B) acting as a custodian for securities in the ordinary course;

(C) normal course trading (including proprietary client facilitation trading) and wealth management activities (including, for greater certainty, in connection with the management of any mutual funds, pooled funds, trust accounts, estate portfolios and other investor funds and portfolios), including electronic securities trading, conducted for or on behalf of any of its clients, provided that any fund manager with discretionary authority carrying out such activities on behalf of such clients, or such clients, have not been provided with confidential, undisclosed information about Maple;

(D) the acquisition of Maple shares in connection with the adjustment of index-related portfolios or other "basket" related trading, provided that the Significant Maple Shareholder does not intentionally vote or instruct the voting of those Maple shares except in accordance with its general corporate polices or the instructions of a client that beneficially owns the relevant Maple shares;

(E) making a market in securities or providing liquidity for securities, in each case in the ordinary course (which, for greater certainty, shall include acquisitions or other derivative transactions undertaken in connection with hedging positions of, or in relation to, Maple shares, provided that the Significant Maple Shareholder does not intentionally vote or instruct the voting of those Maple shares except in accordance with its general corporate polices or the instructions of a client that beneficially owns the relevant Maple shares); or

(F) providing financial services to any person in the ordinary course of business of its and their banking, securities, wealth and insurance businesses, provided such person has not been provided with confidential, undisclosed information about Maple;

(ii) is an Original Maple Shareholder that is a party to a Maple Nomination Agreement, for as long as its Maple Nomination Agreement is in effect; or

(iii) is an Original Maple Shareholder:

(A) whose obligations under the rendered Decision No. 2012-PDG-0077 issued May 2, 2012 have not terminated pursuant to Part III of such decision thereof; and

(B) that has a partner, officer, director or employee who is a director on the Maple board of directors other than pursuant to a Maple Nomination Agreement, for so long as such partner, officer, director or employee retains his or her seat on the Maple board of directors.

XXXV. SHARE OWNERSHIP

(a) No person or company and no combination of persons or companies acting jointly or in concert shall beneficially own or exercise control or direction over more than ten percent (10%) of any class or series of voting shares of CDCC without the prior approval of the Autorité, with the exception of Maple, TMX Group and the Bourse.

(b) CDCC shall promptly inform the Autorité in writing, if it becomes aware that any person or company or any combination of persons or companies, acting jointly or in concert, beneficially own or exercise control or direction over more than ten percent (10%) of any class or series of voting shares of CDCC without having obtained the prior approval of the Autorité, and CDCC shall take the necessary measures to immediately remedy the situation.

(c) CDCC shall promptly inform the Autorité in writing of any change in its share ownership.

(d) CDCC shall promptly inform the Autorité in writing of any agreement related to the exercise of voting rights attached to the common shares of CDCC, of which it has been informed.

XXXVI. GOVERNANCE STRUCTURE

(a) Arrangements made by CDCC shall ensure fair, meaningful and diverse representation of the interested parties, given the nature and structure of CDCC, on CDCC's board of directors and any CDCC board committees, and the maintenance of a reasonable number and proportion of directors Unrelated to CDCC and its clearing members, users of services or clearing house facilities, or shareholders, for the purpose of ensuring the diversity of the board.

(b) CDCC's governance structure shall provide for:

(i) such number of directors who are independent and represent at least 33% of the total number of directors nominated for election for that year;

(ii) such number of directors who (A) are an associate, partner, director, officer or employee of a clearing member of CDCC or such member's affiliates, (B) possess expertise in derivatives clearing, and (C) are financially literate within the meaning of National Instrument 52-110, and represent at least 33% of the total number of directors nominated for election for that year, and of these directors:

(A) one director will be the chief executive officer of the Bourse, or such other officer or employee of the Bourse as nominated by the Bourse; notwithstanding that such person is not an associate, partner, director, officer or employee of a clearing member of CDCC or such member's affiliates; and

(B) two of these directors will not be, at the time of appointment or election, an associate, partner, director, officer or employee of a Significant Maple Shareholder and will be Unrelated to Original Maple Shareholders for so long as a Maple Nomination Agreement is in effect;

(iii) the chief executive officer of CDCC;

(iv) such number of directors who are resident of the Province of Québec and represent at least 25% of the total number of directors nominated for election;

(v) such number of directors who have expertise in derivatives clearing and represent at least 50% of the total number of directors nominated for election;

(vi) appropriate arrangements regarding qualifications and compensation, limitation of liability and indemnification measures for the directors, the officers and the employees in general; and

(vii) a revised code of conduct and ethics and a revised written policy concerning potential conflicts of interest of members of the board of directors and committees and the officers of CDCC, which provides for disclosure of interests and the possibility for a person to withdraw from a file or a decision filed with the Autorité within the year following the date of this decision.

Any amendment to the CDCC code of conduct and ethics and written policy concerning conflicts of interest shall be submitted to the Autorité, upon its approval.

CDCC shall take reasonable steps to ensure that each director of CDCC is a fit and proper person and that the past conduct of each director affords reasonable grounds for belief that the director will perform his or her duties with integrity.

(c) CDCC shall ensure that the quorum of the meetings of the directors is no less than the majority of the directors in office.

(d) CDCC shall establish and maintain a committee of the board of directors of CDCC called the Governance Committee, at least a majority of whom will be independent directors and which will be chaired by an independent director.

(e) An independent director will be selected as chair of the board of CDCC.

(f) CDCC will provide annually to the Autorité the recommendations made by its market participant advisory committees and shall explain the underlying grounds for the rejection of a recommendation or the partial or amended implementation of a recommendation of these committees, in accordance with the time limit prescribed in the Reports and Documents to be Submitted table, found in Appendix A of this decision.

(g) CDCC shall ensure that it publishes the charter of the board of directors and the charters of the board committees, including the standards and criteria of a person's independence, on its Internet site. CDCC shall obtain the Autorité's prior approval before proceeding with any change to the charter of the board of directors and the charters of the board committees.

(h) If at any time CDCC does not satisfy the requirements of this section regarding the governance structure, it shall remedy the situation promptly.

XXXVII. CONTINUITY OF ACTIVITIES IN QUÉBEC

(a) The head office and executive office of CDCC will remain in Montréal. The mind and management of CDCC responsible for overseeing the annual operating plans and budgets thereof will remain in Montréal.

(b) The most senior officer of Maple (with the exception of Maple's chief executive officer) with direct responsibility for CDCC shall be a resident of the Province of Québec at the time of his or her appointment, or as soon as reasonably practicable thereafter, and for the duration of his or her term of office, and shall work in Montréal. Furthermore, the executives responsible for managing the development and execution of the policy and direction of CDCC will be sufficient to permit such most senior officer to exercise his or her responsibilities and will work in Montréal.

(c) If CDCC determines from time to time to export its expertise in clearing of derivatives and related products, such international activities will be directed from Montréal.

(d) CDCC will not terminate its operations or suspend, abandon or liquidate all or a material portion of all of its activities nor will it transfer all or substantially all of its assets, unless:

(i) it has filed a written notice of its intent with the Authority at least six month prior to doing so; and

(ii) it has complied with any terms and conditions that the Autorité may impose in the public interest in order for the abandonment of its activities or the disposition of its assets to be carried out in an orderly fashion.

(e) CDCC will submit annually to the Autorité, within 30 days of its approval by the board of directors, its strategic plan for its activities, including derivatives and related products, equity securities and fixed income securities. The strategic plan will address the progress achieved during the past year in the fulfillment of the previous strategic plan for derivatives and related products.

XXXVIII. LANGUAGE OF SERVICES

(a) CDCC will ensure that it maintains:

(i) the broad range of CDCC's services in Québec required to be offered hereunder, in French and English, including with respect to membership, regulation and supervision of participants activities services, as well as clearing and settlement services of CDCC;

(ii) simultaneous availability in French and English, of all CDCC information documents intended for clearing members or the public, and

(iii) French as the language used in all communications and correspondence with the Autorité.

XXXIX. ALLOCATION OF COSTS

The costs or expenses borne by CDCC, and indirectly by the users of the services of CDCC, for each of the services offered by CDCC, shall not include the costs or expenses incurred by CDCC in connection with any activity carried on by CDCC that is unrelated to this service.

XL. ACCESS

(a) CDCC shall permit any person who satisfies the applicable membership criteria to become a clearing member and to execute transactions.

(b) Without limiting the generality of the foregoing, CDCC shall:

(i) set out in writing the criteria that a person must satisfy to become a clearing member and to execute transactions at CDCC;

(ii) not unreasonably prohibit or limit access by persons to services offered by it; and

(iii) keep records of:

(A) all granted membership requests, specifying the persons to whom access was granted in addition to the reasons for granting such access; and

(B) all denials of membership requests or access limitations, specifying the reasons for denying or limiting access to any applicant.

XLI. FEES

(a) CDCC will ensure that all the fees it imposes are reasonably and equitably allocated, the process for setting fees is fair and appropriate, and the fee model is transparent.

(b) Fees shall not have the effect of creating barriers to access; however, they must take into consideration that CDCC must have sufficient revenues to perform its functions.

(c) CDCC's process for setting fees shall be fair, appropriate and transparent;

(d) Any change to the list of fees charged by CDCC shall be filed with the Autorité, in accordance with the time limit prescribed in the Reports and Documents to be Submitted table, found in Appendix A of this decision.

(e) Within three years of the effective date of this ruling and every three years thereafter, or at any other time determined by the Autorité, CDCC:

(i) shall conduct a review of the fees and fee model of CDCC that are related to the clearing, settlement, depository, data transmission or other services specified by the Autorité that includes, among other things, a benchmarking or other comparison of the fees and fee models against the fees and fee models of similar services in other jurisdictions; and

(ii) file the report with its board of directors promptly after the report's completion and then with the Autorité, within 30 days following its filing with the board of directors.

(f) CDCC will file concurrently with the Authority all the reports filed with other regulatory authorities regarding the review of the fees and fee model related to the clearing, settlement, depository, data transmission or other services of clearing houses owned or operated by CDCC or its affiliates.

XLII. RULES

(a) CDCC shall establish such rules, regulations, policies, procedures, practices or other similar instruments (together the "Rules") as are necessary or appropriate to govern and regulate all aspects of its business and internal affairs and so as to:

(i) seek to ensure compliance with derivatives and securities legislation;

(ii) seek to promote just and equitable principles of trade; and

(iii) seek to foster cooperation and coordination with persons engaged in regulating, clearing, settling or facilitating transactions in derivatives or securities, or processing information concerning these transactions.

(b) CDCC's Rules and their method of adoption shall be transparent.

(c) The Rules shall not unreasonably discriminate among clearing members.

(d) The Rules shall provide for appropriate sanctions in case of non-compliance by clearing members.

(e) CDCC shall approve all the amendments to its Rules simultaneously in French and English.

XLIII. DUE PROCESS

(a) CDCC shall ensure that its requirements relating to access to CDCC, the imposition of limitations or conditions on access and denial of access are fair and reasonable, including in respect of notices, an opportunity to be heard or make representations, the keeping of records, the giving of reasons for decisions and the possibility of appealing decisions.

(b) The clearing members affected by decisions shall have the possibility of being heard and a means of appealing decisions.

(c) CDCC shall keep records of the decisions it renders.

XLIV. RISK MANAGEMENT

(a) CDCC shall have and maintain clearly defined risk management procedures.

(b) CDCC shall follow sound internal management practices in order to ensure its efficient operation. For this purpose, it shall establish:

(i) an adequate derivatives and related products clearing risk management system, including prudent risk limits;

(ii) reliable information systems and risk measurement procedures;

(iii) internal controls and detailed audit procedures;

(iv) a continuous surveillance mechanism, for which it accounts frequently to its senior executives; and

(v) an appropriate monitoring process by its directors.

(c) CDCC's risk management procedures shall specify the respective responsibilities of CDCC and its clearing members.

(d) CDCC shall provide notice to the Autorité before making any material change to its organizational structure or in the manner in which it exercises its functions, powers and activities, when such a measure is likely to have an impact on its internal controls.

(e) CDCC shall file with the Autorité the internal audit reports and the risk management reports in accordance with the time limit stipulated in the Reports and Documents to be Submitted table, found in Appendix A of this decision.

(f) CDCC shall file its annual risk assessment, including the commercial risks and its plans to respond to address these risks, at least once a year or at the Autorité's request, in accordance with the time limit prescribed in the Reports and Documents to be Submitted table, found in Appendix A of this decision.

(g) CDCC shall file any document requested by the Autorité, including a report from an independent third party, including an audit report issued according to the standards prescribed in the Canadian Institute of Chartered Accountants Handbook, under a risk-based supervisory approach to be developed by the Autorité, in accordance with Appendix A. For the purposes of a report to be completed by an independent third party, the Autorité may rule on the scope of the mandate.

XLV. FINANCIAL REPORTS AND FINANCIAL RATIOS

(a) CDCC shall file with the Autorité its annual audited consolidated financial statements, its annual unaudited non-consolidated financial statements without notes, its quarterly unaudited consolidated financial statements without notes, and its quarterly unaudited non-consolidated financial statements without notes, in accordance with the time limit prescribed in the Reports and Documents to be Submitted table, found in Appendix A of this decision.

(b) CDCC shall file with the Autorité its annual budget, accompanied by the underlying assumptions, approved by its board of directors in accordance with the time limit prescribed in the Reports and Documents to be Submitted table, found in Appendix A of this decision.

(c) The annual and quarterly financial statements of CDCC, stipulated in paragraph (a), shall include a budget analysis of the results, as well as a comparative analysis of the results in relation to the corresponding period of the previous fiscal year.

(d) CDCC shall comply with the financial ratios and the reports and notices filing requirements agreed upon with the Authorité.

XLVI. RESOURCES

(a) CDCC shall have and maintain sufficient financial and other resources to ensure its financial viability and the proper performance of its functions and services.

(b) CDCC shall promptly notify the Autorité upon becoming aware that it is no longer or will no longer be able to maintain sufficient financial or other resources it needs to ensure its financial viability and the performance of its clearing house functions, in a manner that is consistent with the public interest and in accordance with the terms and conditions of this decision.

(c) CDCC will file with the Authorité, within 30 days of the effective date of this decision and annually thereafter, a report identifying the various service units of CDCC by location, the number of employees of each unit, the job title and description for each employee, the relationships between each unit and with the management of CDCC in accordance with the time limit prescribed in the Reports and Documents to be Submitted, found in Appendix A of this decision. This report will also provide an analysis to the effect that the human resources

are sufficient and adequate in terms of number, qualifications and experience and put forward corrective measures for any deficiency identified in that analysis.

XLVII. SERVICE DELIVERY

(a) CDCC shall:

(i) adopt and maintain procedures and processes designed to oversee the delivery of precise and reliable services; and

(ii) adopt the required means to offer equitable and secure clearing and settlement services.

XLVIII. ASSET PROTECTION

CDCC shall implement sufficient securities safekeeping and accounting measures to protect its members' assets.

XLIX. SYSTEMS CAPACITY, INTEGRITY AND SECURITY

(a) For the systems necessary for the purposes of its clearing and settlement services (the "Systems"), CDCC shall develop and maintain:

(i) reasonable business continuity and disaster recovery plans;

(ii) an adequate internal control system for these Systems; and

(iii) adequate general controls in information technology, in particular concerning information systems operations, information security, change management, problem management, network support and system software support.

(b) In accordance with prudent business practices, CDCC shall take the following measures at a reasonable frequency and at least once a year:

(i) make reasonable estimates of current and future capacity;

(ii) subject the Systems to capacity stress tests to determine their ability to process transactions in an accurate, timely and efficient manner; and

(iii) test its business continuity and disaster recovery plans.

(c) CDCC shall promptly notify the Autorité of any major outage or any major operating delay or failure affecting its Systems, including any communication failure with the CDSX system.

(d) Before implementing a significant change affecting its Systems, including any change in relation to the CDSX system, CDCC shall file a written description of the change at least 45 days in advance with the Autorité.

(e) For any change other than a change contemplated in d), CDCC shall file a description of the change with the Autorité, within a time limit of 30 days following the end of the calendar quarter during which the change occurred.

(f) CDCC will engage a competent party each year to conduct an independent review of the clearing and settlement systems to establish a report based on established audit standards so as to guarantee its compliance with paragraph (a) of this section. The Autorité may rule on the scope of this mandate. CDCC shall file this report with the Autorité within a time limit of 30 days after the presentation of the report to the board of directors or to the audit committee. CDCC shall file with the Autorité the follow-up reports on the recommendations of this report, as soon as they are available.

L. OUTSOURCING

(a) CDCC shall obtain the prior approval of the Autorité before entering into or implementing any outsourcing of its clearing or settlement functions or operations.

(b) In the event of any outsourcing of its clearing and settlement services to other parties, CDCC shall adhere to industry best practices.

(c) CDCC shall obtain the prior approval of the Autorité before entering into or implementing any transaction designed to provide clearing or settlement regulatory functions or operations to other clearing houses or other persons.

(d) Without limiting the generality of paragraph (b), during the outsourcing of any of its key services or systems to a service provider, including an affiliate or an associate, CDCC shall:

(i) establish and apply policies and procedures that are approved by its board of directors for the evaluation and approval of such outsourcing arrangements;

(ii) in entering into any such outsourcing arrangements, CDCC shall:

(1) assess the risks of such arrangement, the quality of the service to be provided and the degree of control it will maintain; and

(2) execute a contract with the service provider addressing all significant elements of such arrangement, including service levels and performance standards;

(iii) ensure that any contract implementing such outsourcing arrangement that is likely to impact on the CDCC's regulatory functions permits CDCC, its agents, and the Autorité to have access to all data and information maintained by the service provider that CDCC is required to share in accordance with section 115 of the DA or that is necessary for the assessment by the Autorité of the performance by the CDCC of its regulatory functions and the compliance of CDCC with the terms and conditions of this decision; and

(iv) monitor the performance of the service provided under any such outsourcing arrangement.

LI. INFORMATION REQUIREMENTS

(a) In addition to the information requirements set out in the preceding paragraphs, CDCC shall also comply with the information requirements set out hereinafter:

(i) CDCC shall promptly notify the Autorité of any situation that could have a material impact on its operations or financial position and any situation brought to its attention that could have an impact on the operations or the financial position of a clearing member;

(ii) Without limiting the scope of the preceding paragraph, CDCC shall:

(A) promptly notify the Autorité of any non-compliance statement or the suspension of a clearing member. CDCC shall report to the Autorité, on a regular basis, on the status of the situation, including the impact on its financial resources, the parties concerned and the markets and the corrective actions it intends to apply to ensure its financial solvency;

(B) to the extent possible, inform the Autorité verbally of any force majeure event or emergency, as prescribed in the CDCC Rules, before making public any such force majeure event or emergency, and shall confirm in writing to the Autorité the reasons justifying the declaration of such force majeure event or emergency and the actions taken by CDCC or the actions that CDCC plans to take in response to such force majeure event or emergency;

(iii) CDCC shall provide the Autorité with prior notice of any amendment to an agreement made between CDCC and a clearing member, including the membership agreement, and any amendment to an agreement made by the clearing members and to which CDCC is not a party but to which reference is made in the Rules;

(iv) CDCC shall provide the Autorité with prior notice of any decision to enter into an agreement, a memorandum of understanding or any other similar arrangement with a government or regulatory agency, a self-regulatory organization, a clearing house, a bank with respect to clearing services, an exchange or a market, or any amendment to such agreement, memorandum of understanding or other similar arrangement;

(v) CDCC shall provide the Autorité with prior notice of any decision to engage, either directly or through an affiliate, in a new material business activity or to cease to carry on a material business activity operated by CDCC at that time.

(b) CDCC shall provide the Autorité with immediate notification of:

(i) the appointment of any director or officer;

(ii) the actual or planned resignation of a director or an officer or of the auditors of CDCC, including a statement of the grounds for the actual or planned resignation;

(iii) an order, a direction or a similar action on the part of a government or regulatory body regarding CDCC;

(iv) the fact that CDCC is the subject of a penal or regulatory inquiry; and

(v) the fact that CDCC is or has learned that it will be the subject of a material lawsuit.

(c) CDCC shall immediately file with the Autorité copies of the notices and of the general documents it generally sends to all its clearing members.

(d) CDCC shall immediately file with the Autorité all the unanimous shareholder agreements to which it is a party.

(e) CDCC shall provide annually to the Autorité:

(i) a list of the directors and officers of CDCC;

(ii) a list of the committees of CDCC's board of directors, specifying the members, the mandate and the responsibilities of each committee;

(iii) a list of any other committee of CDCC, specifying the members, the mandate and the responsibilities of each committee;

(iv) a list of all the clearing members, which will specify for each the type of transaction cleared by CDCC.

LII. COMPLIANCE WITH INTERNATIONAL STANDARDS

CDCC shall comply with the best practices and international standards applicable to its activities, including those dictated separately or jointly by the International Organization of Securities Commissions and the Committee on Payment and Settlement Systems of the Bank for International Settlements.

LIII. INFORMATION SHARING

CDCC shall share information with the securities and derivatives regulatory authorities, the other clearing houses, the exchanges and the self-regulatory organizations, subject to the applicable privacy protection laws or confidentiality provisions.

LIV. ACCESS TO INFORMATION

(a) CDCC shall make available and ensure its subsidiary make available to the Autorité, on request, all the data and information in its possession and which the Autorité needs to evaluate its performance of its clearing activities and its compliance with the conditions of the Autorité's decisions.

(b) The disclosure or sharing of information by CDCC or any affiliate pursuant to this decision is subject to any confidentiality provisions contained in agreements entered into with the Bank of Canada pertaining to information received from the Bank of Canada.

LV. NON-COMPLIANCE

If CDCC fails to comply with any of the terms and conditions set forth in this decision, the Autorité may amend, suspend or revoke this decision, in whole or in part.

LVI. APPLICABLE LAW

CDCC shall comply with applicable law in Québec.

COMING INTO EFFECT OF THE DECISION

This decision is subordinated to, and will take effect upon, take-up of TMX Group Common Shares under the offer made by Maple set out in the take-over bid circular dated June 10, 2011, as the same has been and may be amended, date that will be confirmed in a notice published by the Autorité in the Bulletin de l'Autorité des marchés financiers.

Made on May 2, 2012.

Mario Albert
President and Chief Executive Officer

APPENDIX A

Relevant article	Wording of relevant article in the recognition decision	Frequency	Time limit or deadline
PART I – Reports and Documents to be Submitted by Maple			
III(b)	Governance review report	Once	30 days following delivery to the board of directors
V(i)	File its strategic plan	Yearly	30 days following approval by the board of directors
VIII(c)	Report concerning the internal cost allocation model and the internal transfer pricing	Yearly	30 days following delivery to the board of directors
IX(b)(ii)	Fee model review report	Every three years	30 days following delivery to the board of directors
IX(b)(ii)	Fee model review report	As needed	30 days following delivery to the board of directors
XII(a)	File the annual audited consolidated financial statements and the annual unaudited non-consolidated financial statements without notes	Yearly	90 days following the fiscal year end
XII(a)	File the quarterly unaudited consolidated financial statements and the quarterly unaudited non-consolidated financial statements without notes	Quarterly	45 days following the quarter end
XII(b)	File the annual budget accompanied by the underlying assumptions	Yearly	30 days following the fiscal year end
XIII(c)	File the risk assessment	Yearly	30 days following approval by the board of directors
XIII(c)	File the risk assessment	As needed	30 days following approval by the board of directors
XIII(d)	File any other internal audit report or risk management report	As needed	30 days following approval by the board of directors
XIII(e)	File any document requested by the Autorité under a risk-based supervisory approach	As needed	As soon as the Autorité requests it

Relevant article	Wording of relevant article in the recognition decision	Frequency	Time limit or deadline
PART II – Reports and Documents to be Submitted by TMX Group			
IV(e)	File its strategic plan	Yearly	30 days following approval by the board of directors
IX(a)	File the annual audited consolidated financial statements and the annual unaudited non-consolidated financial statements without notes	Yearly	90 days following the fiscal year end
IX(a)	File the quarterly unaudited consolidated financial statements and the quarterly unaudited non-consolidated financial statements without notes	Quarterly	45 days following the quarter end
IX(b)	File the annual budget accompanied by the underlying assumptions	Yearly	30 days following the fiscal year end
X(c)	File the risk assessment	Yearly	30 days following approval by the board of directors
X(d)	File any other internal audit report or risk management report	As needed	30 days following approval by the board of directors
X(e)	File any document requested by the Autorité under a risk-based supervisory approach	As needed	As soon as the Autorité requests it
PART III – Reports and Documents to be Submitted by the Bourse			
IV(e)	File its strategic plan	Yearly	30 days following approval by the board of directors
IX(a)	File the annual audited consolidated financial statements and the annual unaudited non-consolidated financial statements without notes	Yearly	90 days following the fiscal year end
IX(a)	File the quarterly unaudited consolidated financial statements and the quarterly unaudited non-consolidated financial statements without notes	Quarterly	45 days following the quarter end
IX(b)	File the annual budget accompanied by the underlying assumptions	Yearly	30 days following the fiscal year end

Relevant article	Wording of relevant article in the recognition decision	Frequency	Time limit or deadline
X(c)	File the risk assessment	Yearly	30 days following approval by the board of directors
X(d)	File any other internal audit report or risk management report	As needed	30 days following approval by the board of directors
X(e)	File any document requested by the Autorité under a risk-based supervisory approach	As needed	As soon as the Autorité requests it
PART IV – Reports and Documents to be Submitted by CDCC			
II(f)	Recommendations of the market participant advisory committee	Yearly	30 days following receipt of the report
III(d)(i)	Prior notice of its intention to terminate a material part of its activities	As needed	At least 6 months in advance
III(e)	File its strategic plan	Yearly	30 days following approval by the board of directors
VII(d)	File any amendment to the fee list	As required	Upon approval
VII(e)(i)	Fee model review report	Every three years	30 days following delivery to the board of directors
VII(f)	Any fee report filed with other regulators	As needed	Concurrently with the filing with other regulators
X(e)	File the internal audit reports and the risk management reports	Quarterly	45 days following the quarter end
X(f)	File the risk assessment	Yearly	30 days following approval by the board of directors
X(g)	File any document requested by the Autorité under a risk-based supervisory approach	As needed	As soon as the Autorité requests it
XI(a)	File the annual audited consolidated financial statements and the annual unaudited non-consolidated financial statements without notes	Yearly	90 days following the fiscal year end
XI(a)	File the quarterly unaudited consolidated financial statements and the quarterly unaudited non-consolidated financial statements without	Quarterly	45 days following the quarter end

Relevant article	Wording of relevant article in the recognition decision	Frequency	Time limit or deadline
	notes		
XI(b)	File the annual budget accompanied by the underlying assumptions	Yearly	30 days following the fiscal year end
XI(d)	File reports and notices on financial ratios	To be determined by the Authorité	To be determined by the Authorité
XII(c)	Report concerning human resources	Once	30 days following the effective date of this decision
XII(c)	Report concerning human resources	Yealy	90 days following the fiscal year end
XV(c)	Notice of major system outage	As needed	Immediately
XV(d)	Description of a significant change to the systems	As needed	45 days in advance
XV(e)	Description of a change to the systems	Quarterly	30 days following the quarter end
XV(f)	Independent systems review report	Yearly	30 days after the submission of the report to the board of directors
XV(f)	Follow-up report on recommendations	As needed	Immediately
XVII(a)(i)	Notice of situation with a material impact	As needed	Immediately
XVII(a)(ii)(A)	Notice of non-compliance of a member	As needed	Immediately
XVII(a)(ii)(B)	Notice of force majeure	As needed	Immediately
XVII(a)(iii)	Prior notice of change to a membership agreement	As needed	45 days in advance
XVII(a)(iv)	Prior notice of the making of an agreement, memorandum or similar arrangement	As needed	Immediately
XVII(a)(v)	Prior notice of the decision to commence a new business activity	As needed	Immediately
XVII(b)	Notice regarding events	As needed	Immediately
XVII(c)	File notices and documents generally intended for members	As needed	Simultaneous with delivery to the members

Relevant article	Wording of relevant article in the recognition decision	Frequency	Time limit or deadline
XVII(d)	File unanimous shareholders' agreements	As needed	Immediately
XVII(e)	File various lists	Yearly	90 days following the fiscal year end

13.3.3 OSC Notice and Request for Comment – LCH.Clearnet LLC – Application for Exemption from Recognition as a Clearing Agency

OSC NOTICE AND REQUEST FOR COMMENT

LCH.CLEARNET LLC

APPLICATION FOR EXEMPTION FROM RECOGNITION AS A CLEARING AGENCY

A. Background

LCH.Clearnet LLC (**LCH**) has applied (the **Application**) to the Commission for an order pursuant to section 147 of the *Securities Act* (Ontario) (**OSA**) to exempt LCH from the requirement to be recognized as a clearing agency in subsection 21.2(0.1) of the OSA. Among other factors set out in the Application, the exemption is being sought on the basis that LCH is subject to an appropriate regulatory and oversight regime in its home jurisdiction in the United States by its regulator, the Commodity Futures Trading Commission.

LCH operates a service for the clearing and settlement of a range of interest rate derivatives.

B. Proposed Regulatory Approach

In reviewing the Application, staff followed the process and assessed the Application against the criteria set out in OSC Staff Notice 24-702 *Regulatory Approach to Recognition and Exemption from Recognition of Clearing Agencies* (**Staff Notice**). As noted in the Staff Notice, we are prepared to exempt a clearing agency if it does not pose significant risk to Ontario capital markets and is subject to an appropriate regulatory and oversight regime in another jurisdiction by its home regulator(s).

In determining whether a clearing agency posed significant risk to Ontario, staff consider the level of activity of the clearing agency in Ontario (using indicators such as notional value and volume of transactions cleared for Ontario-based market participants) and other qualitative and quantitative factors, such as interconnectedness, size of obligations and the role and central importance of a clearing agency to a particular market. The existence of different regulatory regimes is acknowledged in the recent CPSS-IOSCO's Principles for financial market infrastructures that require authorities to cooperate with each other in promoting the safety and efficiency of financial market infrastructures. The proposed exemption of LCH is based on the level of risk it posed to Ontario at this time and the regulatory regime that it is currently subject to.

C. Draft Order

In the Application, LCH describes how it addresses each of the criteria set forth in the Staff Notice. Subject to comments received, staff propose to recommend to the Commission that it issue to LCH an exemption order with terms and conditions in the form of the proposed draft order (**Draft Order**).

The Draft Order requires LCH to comply with various terms and conditions, including relating to:

1. Regulation of LCH
2. Governance
3. Filing requirements
4. Information sharing
5. Submission to jurisdiction and agent for service

D. Comment Process

The Commission is publishing for public comment the Application and Draft Order. The Draft Order is published in the same edition of the OSC Bulletin as is this notice and on the OSC website. The Application can be found on the OSC website. We are seeking comment on all aspects of the Application and Draft Order.

You are asked to provide your comments in writing, via e-mail and delivered on or before March 24, 2014 addressed to the attention of the Secretary of the Commission, Ontario Securities Commission, 20 Queen Street West, 22nd floor, Toronto, Ontario, M5H 3S8, e-mail: comments@osc.gov.on.ca.

The confidentiality of submissions cannot be maintained as comments received during the comment period will be published.

Questions may be referred to:

Emily Sutlic
Senior Legal Counsel, Market Regulation
Tel.: 416-593-2362
esutlic@osc.gov.on.ca

Franklin Lacroce
Clearing Specialist, Market Regulation
Tel: 416-593-8185
flacroce@osc.gov.on.ca

DRAFT ORDER

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

AND

IN THE MATTER OF
LCH.CLEARNET LLC (LCH)

ORDER
(Section 147 of the Act)

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

AND WHEREAS LCH has represented to the Commission that:

1. LCH is a clearing house organized under the laws of the state of Delaware, United States (**U.S.**). LCH operates as a central counterparty (**CCP**) clearing house and receives most of its revenue from treasury income and clearing fees charged to its clearing members (**Clearing Members**);

2. LCH is wholly-owned by LCH.Clearnet (US) LLC, which is wholly-owned by LCH.Clearnet Group Ltd. (**LCH Group**). LCH Group is 57.8 per cent owned by the London Stock Exchange (C) Limited (**LSEG**), a wholly owned subsidiary of London Stock Exchange Group plc, and 42.2 per cent owned by clearing participants and exchanges;

3. LCH Group, which is incorporated in the United Kingdom, is regulated as a Compagnie financière by the Autorité de Contrôle Prudentiel et de Résolution (France);

4. LCH is a Derivatives Clearing Organization (**DCO**) within the meaning of that term under the U.S. Commodity Exchange Act (**CEA**). As a DCO, LCH is subject to regulatory supervision by the United States Commodity Futures Trading Commission (**CFTC**), a U.S. federal regulatory agency. The CFTC reviews, assesses, and enforces a DCO's adherence to the CEA and the regulations promulgated thereunder on an ongoing basis, including but not limited to, the DCO's compliance with "Core Principles" relating to financial resources, participant and product eligibility, risk management, settlement procedures, treatment of funds, default rules and procedures, rule enforcement and system safeguards. LCH is subject to ongoing examination and inspection by the CFTC;

5. LCH currently operates the SwapClear US Service which clears and settles a range of interest rate derivatives;

6. Other than with respect to certain elements of the SwapClear service operated by LCH.Clearnet Limited, a clearing agency recognised by the Commission (**Global SwapClear Service**), that are not part of the SwapClear US Service of LCH, the clearing models of the SwapClear US Service and the Global SwapClear Service are substantially similar in all material respects. One example of an element that is part of the Global SwapClear Service but not the SwapClear US Service is that the SwapClear US Service does not offer a 'principal to principal clearing model', which permits Clearing Members who are non-Futures Commission Merchants (**FCMs**) to clear trades for and on behalf of clients. Only Clearing Members who are registered with the CFTC as FCMs can clear trades for and on behalf of clients in the SwapClear US Service;

7. Transactions cleared through the SwapClear US Service are executed by parties and either cleared directly with LCH or through Clearing Members. Transactions may be executed bilaterally, on swap execution facilities or on other execution venues recognized by LCH;

8. Under LCH's regulations, there are two types of recognized participants in the SwapClear US Service, a Clearing Member and a SwapClear Dealer. An applicant must enter into a Clearing Membership Agreement with LCH before it can become a Clearing Member. The Clearing Membership Agreement contains an acknowledgement that the applicant accepts the regulations and procedures of the LCH Rulebook, which contains the operating rules of LCH;

9. A Clearing Member may clear trades originally transacted by itself (including those in the name of one of its branches, being within the same legal entity), and may also clear trades transacted by a SwapClear Dealer with whom it has entered into a SwapClear Dealer Clearing Agreement;

10. LCH acts as CCP to swap transactions registered with it by a Clearing Member or by a SwapClear Dealer. On registration of a transaction with SwapClear US, the counterparty's transactions, which can be entered by either a Clearing Member or a SwapClear Dealer, are novated to LCH;

11. LCH maintains Clearing Member criteria that all applicants must satisfy before their applications are accepted, including fitness criteria, review of corporate constitutive documentation, financial standards, operational standards, appropriate registration qualifications with applicable statutory regulatory authorities, and LCH applies a due diligence process to ensure that all applicants meet the required criteria;

12. There are no material differences in terms of membership standards and financial requirements between Ontario-resident Clearing Members and other Clearing Members;

13. LCH utilizes processes to minimize systemic risk, which processes include operational and financial criteria for all Clearing Members, margining and financial protections, the maintenance of a clearing/guarantee fund, sound information systems, comprehensive internal controls, ongoing monitoring of Clearing Members, and appropriate oversight by the LCH Board of Directors;

14. LCH does not pose a significant risk to the Ontario capital markets and is subject to an appropriate regulatory and oversight regime in a foreign jurisdiction;

15. LCH does not have any office or maintain other physical installations in Ontario or any other Canadian province or territory. LCH does not currently have any plans to open such an office or to establish any such physical installations in Ontario or elsewhere in Canada; and

AND WHEREAS LCH would like to permit Ontario-residents who meet the criteria set out in its rules to become registered as Clearing Members to clear and settle a range of interest rate derivatives, and as a result, would be considered by the Commission to be "carrying on business as a clearing agency" in Ontario. LCH cannot carry on business in Ontario as a clearing agency unless it is recognized by the Commission as a clearing agency under subsection 21.2(0.1) of the Act or exempted from such recognition under section 147 of the Act;

AND WHEREAS LCH has agreed to the respective terms and conditions as set out in Schedule "B" to this order;

AND WHEREAS based on the Application and the representations LCH has made to the Commission, the Commission has determined that LCH satisfies the criteria set out in Schedule "A" and that the granting of the Order exempting LCH from the requirement to be recognized as a clearing agency under subsection 21.2(0.1) of the Act would not be prejudicial to the public interest;

AND WHEREAS the Commission will monitor developments in international and domestic capital markets and LCH's activities on an ongoing basis to determine whether it is appropriate that LCH continue to be exempted from the requirement to be recognized as a clearing agency and, if so, whether it is appropriate to continue to be exempted subject to the terms and conditions in the Order;

IT IS HEREBY ORDERED by the Commission that, pursuant to section 147 of Act, LCH is exempt from recognition as a clearing agency under subsection 21.2(0.1) of the Act;

PROVIDED THAT LCH complies with the terms and conditions attached as hereto as Schedule "B".

DATED at Toronto, ●,2014

SCHEDULE A

Criteria for Recognition and Exemption from Recognition by the Ontario Securities Commission as a Clearing Agency Pursuant to Section 21.1(0.1) of the *Securities Act* (Ontario)

PART 1 GOVERNANCE

1.1 The governance structure and governance arrangements of the clearing agency ensures:

(a) effective oversight of the clearing agency;

(b) the clearing agency's activities are in keeping with its public interest mandate;

(c) fair, meaningful and diverse representation on the governing body (Board) and any committees of the Board, including a reasonable proportion of independent directors;

(d) a proper balance among the interests of the owners and the different entities seeking access (participants) to the clearing services and facilities (clearing services) of the clearing agency;

(e) the clearing agency has policies and procedures to appropriately identify and manage conflicts of interest;

(f) each director or officer of the clearing agency, and each person or company that owns or controls, directly or indirectly, more than 10 percent of the clearing agency is a fit and proper person; and

(g) there are appropriate qualifications, limitation of liability and indemnity provisions for directors and officers of the clearing agency.

PART 2 FEES

2.1 All fees imposed by the clearing agency are equitably allocated. The fees do not have the effect of creating unreasonable barriers to access.

2.2 The process for setting fees is fair and appropriate, and the fee model is transparent.

PART 3 ACCESS

3.1 The clearing agency has appropriate written standards for access to its services.

3.2 The access standards and the process for obtaining, limiting and denying access are fair and transparent. A clearing agency keeps records of

(a) each grant of access including, for each participant, the reasons for granting such access, and

(b) each denial or limitation of access, including the reasons for denying or limiting access to an applicant.

PART 4 RULES AND RULEMAKING

4.1 The clearing agency's rules are designed to govern all aspects of the clearing services offered by the clearing agency, and

(a) are not inconsistent with securities legislation,

(b) do not permit unreasonable discrimination among participants, and

(c) do not impose any burden on competition that is not necessary or appropriate.

4.2 The clearing agency's rules and the process for adopting new rules or amending existing rules should be transparent to participants and the general public.

4.3 The clearing agency monitors participant activities to ensure compliance with the rules.

4.4 The rules set out appropriate sanctions in the event of non-compliance by participants.

PART 5 DUE PROCESS

5.1 For any decision made by the clearing agency that affects an applicant or a participant, including a decision in relation to access, the clearing agency ensures that:

(a) an applicant or a participant is given an opportunity to be heard or make representations; and

(b) the clearing agency keeps a record of, gives reasons for, and provides for appeals or reviews of, its decisions.

PART 6 RISK MANAGEMENT

6.1 The clearing agency's clearing services are designed to minimize systemic risk.

6.2 The clearing agency has appropriate risk management policies and procedures and internal controls in place.

6.3 Without limiting the generality of the foregoing, the clearing agency's clearing or functions are designed to achieve the following objectives:

1. Where the clearing agency acts as a central counterparty, it rigorously controls the risks it assumes.

2. The clearing agency minimizes principal risk by linking securities transfers to funds transfers in a way that achieves delivery versus payment.

3. Final settlement occurs no later than the end of the settlement day. Intraday or real-time finality is provided where necessary to reduce risks.

4. Where the clearing agency extends intraday credit to participants, including a clearing agency that operates net settlement systems, it institutes risk controls that, at a minimum, ensure timely settlement in the event that the participant with the largest payment obligation is unable to settle.

5. Assets used to settle the ultimate payment obligations arising from derivatives transactions carry little or no credit or liquidity risk. If central bank money is not used, steps are to be taken to protect participants in clearing services from potential losses and liquidity pressures arising from the failure of the cash settlement agent whose assets are used for that purpose.

6. If the clearing agency establishes links to settle cross-border trades, it designs and operates such links to reduce effectively the risks associated with cross-border settlements.

6.4 The clearing agency engaging in activities not related to clearing services carries on such activities in a manner that prevents the spillover of risk to the clearing agency that might affect its financial viability or negatively impact any of the participants in the clearing service.

PART 7 SYSTEMS AND TECHNOLOGY

7.1 For its clearing services systems, the clearing agency:

(a) develops and maintains,

(i) reasonable business continuity and disaster recovery plans,

(ii) an adequate system of internal control,

(iii) adequate information technology general controls, including controls relating to information systems operations, information security, change management, problem management, network support, and system software support;

(b) on a reasonably frequent basis, and in any event, at least annually, and in a manner that is consistent with prudent business practice,

(i) makes reasonable current and future capacity estimates,

(ii) conducts capacity stress tests to determine the ability of those systems to process transactions in an accurate, timely and efficient manner,

(iii) tests its business continuity and disaster recovery plans; and

(c) promptly notifies the regulator of any material systems failures.

7.2 The clearing agency annually engages a qualified party to conduct an independent systems review and prepare a report in accordance with established audit standards regarding its compliance with section 7.1(a).

PART 8 FINANCIAL VIABILITY AND REPORTING

8.1 The clearing agency has sufficient financial resources for the proper performance of its functions and to meet its responsibilities and allocates sufficient financial and staff resources to carry out its functions as a clearing agency in a manner that is consistent with any regulatory requirements.

PART 9 OPERATIONAL RELIABILITY

9.1 The clearing agency has procedures and processes to ensure the provision of accurate and reliable settlement services to participants.

PART 10 PROTECTION OF ASSETS

10.1 The clearing agency has established accounting practices, internal controls, and safekeeping and segregation procedures to protect the assets that are held by the clearing agency.

PART 11 OUTSOURCING

11.1 Where the clearing agency has outsourced any of its key functions, it has appropriate and formal arrangements and processes in place that permit it to meet its obligations and that are in accordance with industry best practices. The outsourcing arrangement provides regulatory authorities with access to all data, information, and systems maintained by the third party service provider required for the purposes of regulatory oversight of the agency.

PART 12 INFORMATION SHARING AND REGULATORY COOPERATION

12.1 For regulatory purposes, the clearing agency cooperates by sharing information or otherwise with the Commission and its staff, self-regulatory organizations, exchanges, quotation and trade reporting systems, alternative trading systems, other clearing agencies, investor protection funds, and other appropriate regulatory bodies.

SCHEDULE "B"

TERMS and CONDITIONS

DEFINITIONS

For the purposes of this Schedule:

"**Clearing Member**" means a clearing member as defined under LCH rules;

"**client clearing**" means the ability of a Clearing Member to clear transactions at LCH for and on behalf of a client who is not a Clearing Member;

"**Ontario Clearing Member**" means Ontario-residents who are Clearing Members of LCH;

"**rule**" means any provision or other requirement in LCH's rulebook, operating manuals, user guides, or similar documents governing rights and obligations between LCH and the Clearing Members or among the Clearing Members;

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

REGULATION OF LCH

1. LCH will maintain its registration as a DCO in the U.S. and will continue to be subject to the regulatory oversight of the CFTC.

2. LCH will continue to comply with its ongoing regulatory requirements as a DCO.

3. LCH will continue to meet the criteria for exemption from recognition as a clearing agency as set out in Schedule "A".

OWNERSHIP OF LCH

4. LCH will provide to the Commission 90 days prior, written notice and a detailed description and impact of any material change to its ownership.

GOVERNANCE

5. LCH will continue to promote a corporate governance structure that minimizes the potential for any conflicts of interest between LCH Group (and its affiliates) and LCH that could adversely affect the clearance and settlement of trades in contracts or the effectiveness of LCH's risk management policies, controls, and standards.

FILING REQUIREMENTS

Filings with the CFTC

6. LCH will promptly provide staff of the Commission the following information, and to the extent that it is required to file such information with the CFTC it will file such information concurrently with staff of the Commission:

   (a) the annual audited financial statements of LCH;

   (b) details of any material legal proceeding instituted against it;

   (c) notification that LCH has failed to comply with an undisputed obligation to pay money or deliver property to a Clearing Member for a period of 30 days after receiving notice from the Clearing Member of LCH's past due obligation;

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

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

   (f) material changes to its regulations and procedures.

Prior Notification

7. LCH shall provide 60 days prior written notice and a detailed description of any new clearing service (including client clearing) to be offered to Ontario-residents;

8. LCH shall provide 45 days prior written notice and a detailed description of any material change or enhancement to the SwapClear US Service where such change is not implemented for the Global SwapClear Service. Notwithstanding the foregoing, in the event that LCH needs to implement a material change or enhancement and is unable to provide 45 days prior written notice to the Commission, LCH shall provide a written notice and description of the change, together with the reasons for the shorter implementation, as soon as possible prior to the effective date of the change;

Prompt Notice

9. LCH will promptly notify staff of the Commission of any of the following:

   (a) any material change to its business or operations or the information as provided in the Application;

   (b) any material problem with the clearance and settlement of transactions in contracts cleared by LCH that could materially affect the safety and soundness of LCH;

   (c) any event of default by a Clearing Member;

   (d) any material system failure of a clearing service utilized by an Ontario Clearing Member;

   (e) any material change or proposed material change in LCH's status as a DCO or to the regulatory oversight by the CFTC;

   (f) the admission of any new Ontario Clearing Member or any other Ontario resident that has entered into a direct connection arrangement with LCH for facilitating the Ontario resident's direct access to one or more LCH systems; and

   (g) the clearing of new products that are proposed to be offered to Ontario Clearing Members or products that will no longer be available to Ontario Clearing Members.

Quarterly Reporting

10. LCH will maintain the following updated information and submit such information to the Commission in a manner and form acceptable to the Commission on a quarterly basis (by the end of the month following the end of the calendar quarter), and at any time promptly upon the request of staff of the Commission:

   (a) a current list of all Ontario Clearing Members;

   (b) a list of all Ontario Clearing Members against whom disciplinary action has been taken in the quarter by LCH or, to the best of LCH's knowledge, by the CFTC with respect to such Ontario Clearing Members' clearing activities on LCH;

   (c) a list of all investigations by LCH relating to Ontario Clearing Members;

   (d) a list of all Ontario applicants who have been denied clearing member status by LCH in the quarter;

   (e) the following statistics for each Ontario Clearing Member organized by currency:

      a. the aggregate nominal volumes cleared during the quarter;

      b. the number of transactions cleared during the quarter;

      c. the high and low daily nominal volumes cleared during the quarter;

      d. the high and low number of transactions cleared during the quarter;

      e. the open interest outstanding as of the end of the quarter;

      f. the total amount of margin received as of the end of the quarter;

g. the total amount of default fund contributions received as of the end of the quarter;

(f) the proportion of the metrics identified in paragraph (e) above for Ontario Clearing Members related to the activity of all Clearing Members in each of the LCH clearing services provided to Ontario Clearing Members;

(g) for LCH's SwapClear US service and any other clearing service provided to Ontario Clearing Members, a summary of risk management analysis related to the adequacy of required margin and the adequacy of the level of the default fund, including but not limited to stress testing and back testing results;

(h) for LCH's SwapClear US service and any other clearing service provided to Ontario Clearing Members, the anonymized aggregated average daily notional position of the five and ten largest clearing members in cleared products;

(i) for LCH's SwapClear US service and any other clearing service provided to Ontario Clearing Members, a description of any material services outages with regard to cleared products that have occurred since the last quarterly report;

(j) based on information available to LCH, the aggregate notional value and volume of transactions cleared during the quarter by Clearing Members for and on behalf of clients that are Ontario residents; and, where LCH has subsequently verified the accuracy of such aggregate client clearing information for any previous quarters, any summary that describes the results of such verification including any reconciliation of the information previously reported to the Commission;

(k) to the extent LCH becomes aware of the offering of client clearing to Ontario residents by a Clearing Member, the identity of such Clearing Member and its jurisdiction of incorporation (including that of its ultimate parent) that provides such client clearing services to Ontario residents including, where known,

a. the name of each of the Ontario residents receiving such services; and

b. the value and volume of transactions cleared by Clearing Product during the quarter for and on behalf of each Ontario resident;

(l) any other information in relation to an OTC derivative cleared by LCH for Ontario Clearing Members as may be required by the Commission from time to time in order to carry out the Commission's mandate; and

(m) a copy of the bylaws and rules showing all cumulative changes to the bylaws and rules made during the quarter.

INFORMATION SHARING

11. LCH shall provide to the Commission such information as it may request from time to time, and otherwise cooperate with the Commission or its staff, subject to any applicable privacy or other laws (including solicitor-client privilege) governing the sharing of information and the protection of personal information.

12. Unless otherwise prohibited under applicable law, LCH shall share information relating to regulatory and enforcement matters and otherwise cooperate with other recognized or exempt clearing agencies on such matters, as appropriate.

SUBMISSION TO JURISDICTION AND AGENT FOR SERVICE

13. With respect to a proceeding brought by the Commission arising out of, related to, concerning or in any other manner connected with the Commission's regulation and oversight of LCH's activities in Ontario, LCH shall submit to the non-exclusive jurisdiction of (i) the courts and administrative tribunals of Ontario and (ii) an administrative proceeding in Ontario.

14. For greater certainty, LCH shall file with the Commission a valid and binding appointment of an agent for service in Ontario upon whom may be served a notice, pleading, subpoena, summons or other process in any action, investigation or administrative, criminal, quasi-criminal, penal or other proceeding arising out of or relating to or concerning the Commission's regulation and oversight of LCH's activities in Ontario.

This page intentionally left blank

Chapter 25

Other Information

25.1 Approvals

25.1.1 Higgins Investment Group Inc. – s. 213(3)(b) of the LTCA

Headnote

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

Statutes Cited

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

January 28, 2014

AUM Law
225a MacPherson Avenue
Suite 201
Toronto, ON M4V 1A1

Attention: Ron Kugan

Dear Sirs/Mesdames:

Re: Higgins Investment Group Inc. (the "Applicant")

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

Application No. 2013/0828

Further to your application dated December 9, 2013 (the "Application") filed on behalf of the Applicant, and based on the facts set out in the Application and the representation by the Applicant that the assets of Owners Equity Fund (the "Original Fund") and any other future funds that the Applicant may establish and manage from time to time, will be held in the custody of a trust company incorporated and licensed or registered under the laws of Canada or a jurisdiction, or a bank listed in Schedule I, II or III of the *Bank Act* (Canada), or an affiliate of such bank or trust company, the Ontario Securities Commission (the "Commission") makes the following order:

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

Yours truly,

"Edward P. Kerwin"
Commissioner
Ontario Securities Commission

"Vern Krishna"
Commissioner
Ontario Securities Commission

This page intentionally left blank

Index

Advanced Growing Systems, Inc.
Notice of Correction 1793
Order 1815

Allie, Saudia
Notice of Correction 1793
Order 1815

Arconti, Alexander Flavio
Notice from the Office of the Secretary 1801
Order – ss. 127)7), 127(8) 1820

Arconti, Luigino
Notice from the Office of the Secretary 1801
Order – ss. 127)7), 127(8) 1820

Asia Telecom Ltd.
Notice of Correction 1793
Order 1815

Boock, Irwin
Notice of Correction 1793
Order 1815

Boswell Capital Corporation
Consent to Suspension (Pending Surrender) 1979

Cambridge Resources Corporation
Notice of Correction 1793
Order 1815

Canadian Derivatives Clearing Corporation
Fifth Variation to the Temporary Exemption
Order – s. 144 1818
Clearing Agencies 1985
Application for Recognition as a Clearing Agency 1986

Celestica Inc.
Order – s. 104(2)(c) 1825

Compushare Transfer Corporation
Notice of Correction 1793
Order 1815

Cranston, Robert
Notice of Withdrawal 1798
Notice from the Office of the Secretary 1800

DeFreitas, Stanton
Notice of Correction 1793
Order 1815

Dubinsky, Alena
Notice of Correction 1793
Order 1815

Edgecrest Capital Corporation
Amalgamation 1979

Edgefront Realty Corp.
Decision – s. 1(10)(a)(ii) 1803
Order 1814

Enerbrite Technologies Group
Notice of Correction 1793
Order 1815

Ernst & Young LLP
Notice from the Office of the Secretary 1800
Order 1817

Far City Mining Limited
Cease Trading Order 1831

Federated Purchaser, Inc.
Notice of Correction 1793
Order 1815

First National Entertainment Corporation
Notice of Correction 1793
Order 1815

First Uranium Corporation
Decision – s. 1(10)(a)(ii) 1806
Order – s. 1(6) of the OBCA 1819

Global Privacy Management Trust
Notice of Withdrawal 1798
Notice from the Office of the Secretary 1800

GRS Partners Capital Management Inc.
Voluntary Surrender of Registration 1979

Hanna-Rogerson, Amy
Notice from the Office of the Secretary 1802
Order 1822

Higgins Investment Group Inc.
Approval – s. 213(3)(b) of the LTCA 2049

IIROC – Notice of Withdrawal – Amendments Respecting Trading in US OTC Issuers
SROs 1981

IIROC – Notice of Withdrawal – Proposed Financial Planning Rule
SROs 1982

IIROC – Notice of Withdrawal – Revisions to the Definition of "Securities Related Activities"
SROs 1983

IIROC – OSC Staff Notice of Request for Comment – Proposed Plain Language Rule 9600- Compliance Fees
SROs 1984

Innovative Composites International Inc.
Cease Trading Order 1831

International Energy Ltd.
Notice of Correction 1793
Order 1815

Khodjaiants, Alex
Notice of Correction 1793
Order 1815

LCH.Clearnet LLC
Application for Exemption from Recognition as a Clearing Agency 2038

Leasesmart, Inc.
Notice of Correction 1793
Order 1815

Marlatt, Frederick Lawrence
Notice from the Office of the Secretary 1801
Order – ss. 127(1), 127(10) 1821

Minor, Michael Wallace
Notice from the Office of the Secretary 1801
Order – ss. 127(1), 127(10) 1821

Mitschele, Frederick Lawrence
Notice from the Office of the Secretary 1801
Order – ss. 127(1), 127(10) 1821

North American Capital Inc.
Notice from the Office of the Secretary 1801
Order – ss. 127)7), 127(8) 1820

North American Financial Group Inc.
Notice from the Office of the Secretary 1801
Order – ss. 127)7), 127(8) 1820

NTG Clarity Networks Inc.
Cease Trading Order 1831

NutriOne Corporation
Notice of Correction 1793
Order 1815

OSC Notice and Request for Comment – Canadian Derivatives Clearing Corporation (CDCC) – Application for Recognition as a Clearing Agency
Clearing Agencies 1986

OSC Staff Notice 13-704 – Applications for Participation Fee Relief for Certain Small Registered Firms and Reporting Issuers
Notice 1794
News Release 1799

Pacific Orient Capital Inc.
Cease Trading Order 1831

Penfold Capital Acquisition IV Corporation
Cease Trading Order 1831

Pharm Control Ltd.
Notice of Correction 1793
Order 1815

Plazacorp Retail Properties Ltd.
Order – s. 1(10) 1805

Pocketop Corporation
Notice of Correction 1793
Order 1815

Portfolio Capital Inc.
Notice from the Office of the Secretary 1802
Order 1822

Premier Diagnostic Health Services Inc.
Cease Trading Order 1831

Railtown Capital Corp.
Cease Trading Order 1831

RBC Capital Trust II
Decision – s. 1(10)(a)(ii) 1813

Rockgate Capital Corp.
Decision 1804

Rogerson, David
Notice from the Office of the Secretary 1802
Order 1822

Schneider Electric S.A.
Decision 1807

Select American Transfer Co.
Notice of Correction 1793
Order 1815

Solid Gold Resources Corp.
Cease Trading Order 1831

Stans Energy Corp.
Cease Trading Order 1831

Stonecap Securities Inc.
Amalgamation 1979

Strike Minerals Inc.
Cease Trading Order 1831

TCC Industries, Inc.
Notice of Correction 1793
Order 1815

WGI Holdings, Inc.
Notice of Correction 1793
Order 1815

Wong, Jason
Notice of Correction 1793
Order 1815

Zungui Haixi Corporation
Notice from the Office of the Secretary 1800
Order 1817

This page intentionally left blank