The Ontario Securities Commission

OSC Bulletin

October 16, 2014

Volume 37, Issue 42

(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 $773 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 9367
1.1 Notices 9367
1.1.1 CSA Notice 62-307 – Update on Proposed Amendments to Multilateral Instrument 62-104 Take-Over Bids and Issuer Bids, National Instrument 62-103 Early Warning System and Related Take-Over Bid and Insider Reporting Issues and National Policy 62-203 Take-Over Bids and Issuer Bids 9367
1.1.2 Multilateral CSA Notice of Amendments to NI 58-101 Disclosure of Corporate Governance Practices 9370
1.2 Notices of Hearing ..... (nil)
1.3 News Releases ..... (nil)
1.4 Notices from the Office of the Secretary 9371
1.4.1 Eric Inspektor 9371
1.4.2 The Gatekeepers of Wealth Inc. and Joseph Bochner 9371
1.4.3 Conrad M. Black et al. 9372

Chapter 2 Decisions, Orders and Rulings 9373
2.1 Decisions 9373
2.1.1 GLV Inc. 9373
2.1.2 Lumina Copper Corp. 9377
2.1.3 I.G. Investment Management, Ltd. 9379
2.1.4 CIBC Asset Management Inc. et al. 9383
2.1.5 CIBC Asset Management Inc. et al. 9390
2.1.6 BLF Real Estate Investment Trust 9395
2.1.7 Active Control Technology Inc. – s. 1(10) 9397
2.1.8 Tuscany International Drilling Inc. 9398
2.2 Orders 9399
2.2.1 Eric Inspektor 9399
2.2.2 The Gatekeepers of Wealth Inc. and Joseph Bochner – s. 127 9400
2.2.3 360 Trading Networks Inc. et al. – s. 144 9401
2.2.4 Tuscany International Drilling Inc. – s. 144 9403
2.2.5 Conrad M. Black et al. 9405
2.3 Rulings ..... (nil)

Chapter 3 Reasons: Decisions, Orders and Rulings 9409
3.1 OSC Decisions, Orders and Rulings 9409
3.1.1 Kevin Duffy 9409
3.2 Court Decisions, Order and Rulings ..... (nil)

Chapter 4 Cease Trading Orders 9415
4.1.1 Temporary, Permanent & Rescinding Issuer Cease Trading Orders 9415
4.2.1 Temporary, Permanent & Rescinding Management Cease Trading Orders 9415
4.2.2 Outstanding Management & Insider Cease Trading Orders 9415

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

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

Chapter 7 Insider Reporting 9417

Chapter 8 Notice of Exempt Financings 9515
Reports of Trades Submitted on Forms 45-106F1 and 45-501F1 9515

Chapter 9 Legislation ..... (nil)

Chapter 11 IPOs, New Issues and Secondary Financings 9517

Chapter 12 Registrations 9521
12.1.1 Registrants 9521

Chapter 13 SROs, Marketplaces, Clearing Agencies and Trade Repositories 9523
13.1 SROs ..... (nil)
13.2 Marketplaces 9523
13.2.1 360 Trading Networks Inc. et al. 9523
13.3 Clearing Agencies ..... (nil)
13.4 Trade Repositories ..... (nil)

Chapter 25 Other Information 9525
25.1 Approvals 9525
25.1.1 Bull Capital Management Inc. – s. 213(3)(b) of the LTCA 9525

Index 9527

Chapter 1

Notices / News Releases

1.1.1 CSA Notice 62-307 – Update on Proposed Amendments to Multilateral Instrument 62-104 Take-Over Bids and Issuer Bids, National Instrument 62-103 Early Warning System and Related Take-Over Bid and Insider Reporting Issues and National Policy 62-203 Take-Over Bids and Issuer Bids

CSA/ACVM Canadian Securities Administrators Autorités canadiennes en valeurs mobilières

CSA Notice 62-307
Update on Proposed Amendments to Multilateral Instrument 62-104 *Take-Over Bids and Issuer Bids*, National Instrument 62-103 *Early Warning System and Related Take-Over Bid and Insider Reporting Issues* and National Policy 62-203 *Take-Over Bids and Issuer Bids*

October 10, 2014

Introduction

On March 13, 2013, the Canadian Securities Administrators (the **CSA** or **we**) published for comment draft amendments and changes to:

- Multilateral Instrument 62-104 *Take-Over Bids and Issuer Bids* (MI 62-104),
- National Instrument 62-103 *Early Warning System and Related Take-Over Bid and Insider Reporting Issues* (NI 62-103), and
- National Policy 62-203 *Take-Over Bids and Issuer Bids* (NP 62-203) (collectively, the **Draft Amendments**).

The purpose of the publication was to address concerns about the level of transparency of significant holdings of issuers' securities under the early warning reporting system: in particular, the reporting threshold of 10%, and the adequacy of disclosure in early warning reports filed in Canada.

This notice provides an update to market participants on the status of the Draft Amendments.

Background

The Draft Amendments proposed a lower early warning reporting threshold of 5%, requiring disclosure of decreases in ownership of 2% or more of securities and enhancing the content of the disclosure in the early warning news releases and reports. We also proposed changes so that certain hidden ownership and empty voting arrangements would be disclosed and we proposed that eligible institutional investors that solicit proxies on matters relating to the election of directors or corporate actions involving an issuer's securities be unable to use the alternative monthly reporting system.

Summary of Comments

The comment period on the Draft Amendments ended on July 12, 2013. We received over 70 comment letters from various market participants that reflected a broad range of opinions. We wish to thank all of the commenters for their contributions.

We have reviewed and discussed the comments received. Many commenters provided helpful substantive submissions, information and perspectives on the Draft Amendments. We note that the commenters generally agreed with the enhanced transparency objective of the Draft Amendments. However, a majority of commenters raised various concerns about potential unintended consequences of certain Draft Amendments.

The comment process has assisted the CSA in re-considering certain elements of the Draft Amendments. Some of the views expressed and considered were the:

- unique features of the Canadian market, compared to the United States and other markets, including the large number of smaller issuers and the limited liquidity of these smaller issuers and of our market;
- potential detrimental or inadvertent impact of certain Draft Amendments, such as hindering an investor's ability to rapidly accumulate or reduce a large position and the signalling of investment strategies to the market;
- complexity and difficulty of applying a new early warning reporting trigger in respect of "equity equivalent derivatives";
- significant administrative and compliance burden associated with implementing additional reporting obligations; and
- potential benefits of the enhanced disclosure being outweighed by the potential negative impact of implementing certain Draft Amendments.

We intend to provide a summary of comments received in respect of the Draft Amendments in our next publication.

Final Amendments

In light of the comments received and following further reflection and analysis, the CSA have re-considered the proposals and have determined not to proceed with certain of the Draft Amendments. Instead, the CSA intend to proceed to publish final amendments to MI 62-104 and NI 62-103 as well as guidance in NP 62-203 (collectively, the **Final Amendments**) that will address certain key issues identified in the Draft Amendments.[1]

The CSA have concluded that it is not appropriate at this time to proceed with:

- the proposal to reduce the reporting threshold from 10% to 5%; and
- the proposal to include "equity equivalent derivatives" for the purposes of determining the threshold for early warning reporting disclosure.

Nonetheless, subject to necessary approvals, we are proceeding with the following Final Amendments. These amendments will enhance transparency by:

- requiring disclosure of 2 % decreases in ownership;
- requiring disclosure when a shareholder's ownership interest falls below the reporting threshold;
- making the alternative monthly reporting system unavailable to eligible institutional investors as described in the Draft Amendments, with additional clarification on the circumstances when they would be precluded;
- exempting lenders from disclosure requirements if they lend shares pursuant to a specified securities lending arrangement;
- exempting borrowers, in certain circumstances, from disclosure requirements if they borrow shares under a securities lending arrangement;
- providing guidance clarifying the current application of early warning reporting requirements to certain derivatives and requiring disclosure of derivatives in the early warning report;
- enhancing and improving the disclosure requirements in the early warning report; and
- clarifying the timeframe to file the early warning report and news release.

The CSA believe that the intended Final Amendments, while not as extensive as the Draft Amendments, will enhance the quality and integrity of the early warning reporting regime in a manner that is appropriate for the Canadian public capital markets.

[1] In Ontario, we anticipate that amendments to the *Securities Act* (Ontario) and Ontario Securities Commission Rule 62-504 *Take-Over Bids and Issuer Bids* will be proposed in order to allow the substance of the Final Amendments to apply fully.

Next Steps

We are in the process of completing the Final Amendments and, subject to necessary approvals, intend to publish them in the second quarter of 2015.

Questions

Please refer your questions to any of the following:

Ontario Securities Commission

Naizam Kanji
Deputy Director, Corporate Finance
Head, Mergers & Acquisitions and Shareholder Rights
Ontario Securities Commission
(416) 593-8060
nkanji@osc.gov.on.ca

Jason Koskela
Senior Legal Counsel
Mergers & Acquisitions and Shareholder Rights
Corporate Finance Branch
Ontario Securities Commission
(416) 595-8922
jkoskela@osc.gov.on.ca

Adeline Lee
Legal Counsel
Mergers & Acquisitions and Shareholder Rights
Corporate Finance Branch
Ontario Securities Commission
(416) 595-8945
alee@osc.gov.on.ca

Autorité des marchés financiers

Lucie J. Roy
Senior Director, Corporate Finance
Autorité des marchés financiers
(514) 395-0337, ext. 4361
Toll free: 1 (877) 525-0037
Lucie.roy@lautorite.qc.ca

Michel Bourque
Senior Policy Adviser
Autorité des marchés financiers
(514) 395-0337, ext. 4466
Toll free: 1 (877) 525-0037
Michel.bourque@lautorite.qc.ca

Diana D'Amata
Senior Policy Adviser
Autorité des marchés financiers
(514) 395-0337, ext. 4386
Toll free: 1 (877) 525-0037
Diana.damata@lautorite.qc.ca

Andrée-Anne Arbour-Boucher
Senior Securities Analyst, Corporate Finance
Autorité des marchés financiers
(514) 395-0337, ext. 4394
Toll free: 1 (877) 525-0037
Andree-anne.arbour-boucher@lautorite.qc.ca

British Columbia Securities Commission

Gordon Smith
Senior Legal Counsel, Corporate Finance
British Columbia Securities Commission
(604) 899-6656
Toll free across Canada: 1 (800) 373-6393
gsmith@bcsc.bc.ca

Leslie Rose
Senior Legal Counsel, Corporate Finance
British Columbia Securities Commission
(604) 899-6654
Toll free across Canada: 1 (800) 373-6393
lrose@bcsc.bc.ca

Alberta Securities Commission

Ashlyn D'Aoust
Legal Counsel
Corporate Finance
(403) 355-4347
Ashlyn.daoust@asc.ca

Tracy Clark
Legal Counsel
Corporate Finance
(403) 355-4424
tracy.clark@asc.ca

Financial and Consumer Affairs Authority of Saskatchewan

Sonne Udemgba
Deputy Director, Legal, Securities Division
Financial and Consumer Affairs Authority of Saskatchewan
(306) 787-5879
sonne.udemgba@gov.sk.ca

Manitoba Securities Commission

Chris Besko
Acting General Counsel & Acting Director
Manitoba Securities Commission
(204) 945-2561
chris.besko@gov.mb.ca

1.1.2 Multilateral CSA Notice of Amendments to NI 58-101 Disclosure of Corporate Governance Practices

The Multilateral CSA Notice of Amendments to National Instrument 58-101 *Disclosure of Corporate Governance Practices* is reproduced on the following internally numbered pages. Bulletin pagination resumes at the end of the Notice.

CSA/ACVM Canadian Securities Administrators Autorités canadiennes en valeurs mobilières

Multilateral CSA Notice of Amendments to National Instrument 58-101 *Disclosure of Corporate Governance Practices*

October 15, 2014

Introduction

The securities regulatory authorities in Manitoba, New Brunswick, Newfoundland and Labrador, Northwest Territories, Nova Scotia, Nunavut, Ontario, Québec and Saskatchewan (collectively, the **Participating Jurisdictions** or **we**) are implementing amendments (the **Rule Amendments**) to National Instrument 58-101 *Disclosure of Corporate Governance Practices* (**NI 58-101**) and Form 58-101F1 *Corporate Governance Disclosure* (**Form 58-101F1**).

The Participating Jurisdictions have coordinated their efforts in finalizing the Rule Amendments and the Rule Amendments have been made by each member of the Participating Jurisdictions.

In some jurisdictions, Ministerial approvals are required for the Rule Amendments. Provided all necessary Ministerial approvals are obtained, the Rule Amendments will come into force on December 31, 2014. Where applicable, Schedule E provides information about each Participating Jurisdiction's approval process. Subject to obtaining all necessary Ministerial approvals, the Participating Jurisdictions are now implementing the Rule Amendments together.

Substance and purpose of the Rule Amendments

The Rule Amendments will require non-venture issuers to provide disclosure regarding the following matters on an annual basis:

- director term limits and other mechanisms of renewal of the board of directors (the **board**),
- policies regarding the representation of women on the board,
- the board's or nominating committee's consideration of the representation of women in the director identification and selection process,
- the issuer's consideration of the representation of women in executive officer positions when making executive officer appointments,
- targets regarding the representation of women on the board and in executive officer positions, and
- the number of women on the board and in executive officer positions.

The Rule Amendments will apply to all non-venture issuers reporting in the Participating Jurisdictions.

The Rule Amendments are intended to increase transparency for investors and other stakeholders regarding the representation of women on boards and in senior management of non-venture issuers. This transparency is intended to assist investors when making investment and voting decisions.

Schedule A sets out the text of the Rule Amendments.

Background

The proposals reflected in the Rule Amendments have been exposed for public comment twice.

January 2014 Materials
On January 16, 2014, the Ontario Securities Commission (the **OSC**), published for a 90-day comment period proposed amendments to Form 58-101F1 (the **January 2014 Materials**).

In developing the January 2014 Materials, the OSC:

- conducted research on the approaches to diversity in other jurisdictions, such as Australia, the European Union, the United Kingdom and the United States,
- considered the feedback in response to proposals set out in OSC Staff Consultation Paper 58-401 *Disclosure Requirements Regarding Women on Boards and in Senior Management* (the **Consultation Paper**), published for a 60-day comment period on July 30, 2013,
- convened a public roundtable on October 16, 2013 to discuss the model of disclosure requirements set out in the Consultation Paper, and
- considered the results of an OSC staff survey of approximately 1,000 TSX-listed issuers regarding gender diversity.

This work was undertaken following a request received on June 14, 2013 from the Ontario Minister of Finance, Charles Sousa, and the then Ontario Minister Responsible for Women's Issues that the OSC undertake a public consultation process regarding disclosure requirements for gender diversity. On December 18, 2013, the OSC delivered OSC Report 58-402 *Report to Minister of Finance and Minister Responsible for Women's Issues - Disclosure Requirements Regarding Women on Boards and in Senior Management* (**OSC Report 58-402**). The Rule Amendments reflect the recommendations contained in OSC Report 58-402.

July 2014 Materials
On July 3, 2014, the securities regulatory authorities in Manitoba, New Brunswick, Newfoundland and Labrador, Northwest Territories, Nova Scotia, Nunavut, Québec and Saskatchewan published for a 60-day comment period proposed amendments to Form 58-101F1 (the **July 2014 Materials**).

The securities regulatory authorities in those jurisdictions published the July 2014 Materials in the context where gender diversity in decision-making functions is the subject of increased interest and debate in Canada and elsewhere. In recent years, numerous governments and regulators around the world have in particular been concerned by the under-representation of women on the boards of publicly-traded companies. Certain jurisdictions have adopted or are considering adopting guidelines and/or disclosure requirements regarding gender diversity, notably the United States, the United Kingdom, Australia and several European countries.

Summary of written comments received by the Participating Jurisdictions

The comment period for the January 2014 Materials ended on April 16, 2014 and the OSC received written submissions from 52 commenters. The comment letters on the January 2014 Materials can be viewed on the OSC website at www.osc.gov.on.ca.

The comment period on the July 2014 Materials ended on September 2, 2014 and the Participating Jurisdictions, other than the OSC, received submissions from 18 commenters. The comment letters on the July 2014 Materials can be viewed on the website of the Autorité des marchés financiers at www.lautorite.qc.ca.

We have considered the comments received and thank all of the commenters for their input. The names of the commenters are contained in Schedule C and a summary of their comments, together with our responses, is contained in Schedule D.

Summary of changes to the Rule Amendments

After considering the comments received on the January 2014 Materials and the July 2014 Materials, we have made some changes to those materials. Those changes are reflected in the Rule Amendments we are publishing concurrently with this notice. As those changes are not material, we are not republishing the Rule Amendments for a further comment period.

Schedule B contains a summary of notable changes between the Rule Amendments and the January 2014 Materials and July 2014 Materials.

Local matters

Schedule E is being published in any local jurisdiction and sets out any additional information that is relevant to that jurisdiction only.

Questions

Please refer your questions to any of:

Jo-Anne Matear
Manager, Corporate Finance Branch
Ontario Securities Commission
416-593-2323
jmatear@osc.gov.on.ca

Aba Stevens
Legal Counsel, Corporate Finance Branch
Ontario Securities Commission
416-263-3867
astevens@osc.gov.on.ca

Tony Herdzik
Deputy Director, Corporate Finance
Financial and Consumer Affairs Authority of Saskatchewan
306-787-5849
tony.herdzik@gov.sk.ca

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

Martin Latulippe
Director, Continuous Disclosure
Autorité des marchés financiers
514-395-0337, ext. 4331
Martin.Latulippe@lautorite.qc.ca

Diana D'Amata
Policy and Regulation Department
Autorité des marchés financiers
514-395-0337, ext. 4386
Diana.Damata@lautorite.qc.ca

Ella-Jane Loomis
Legal Counsel, Securities
Financial and Consumer Services Commission
(New Brunswick)
506-658-2602
ella-jane.loomis@fcnb.ca

Heidi Schedler
Enforcement Counsel
Nova Scotia Securities Commission
902-424-7810
SCHEDLHG@gov.ns.ca

Don Boyles
Superintendent of Securities (by interim)
Office of the Superintendent of Securities
Government of Newfoundland and Labrador
709-729-4501
dboyles@gov.nl.ca

Gary MacDougall
Superintendent of Securities
Department of Justice
Government of the Northwest Territories
867-873-7490
Gary_MacDougall@gov.nt.ca

Louis Arki
Director, Legal Registries
Legal Registries Division
Department of Justice
Government of Nunavut
867-975-6587
larki@gov.nu.ca

Schedules to Notice

Schedule A – Rule Amendments
Schedule B – Summary of Changes to the January 2014 Materials and July 2014 Materials
Schedule C – List of Commenters
Schedule D – Summary of Comments and Responses of Participating Jurisdictions
Schedule E – Local Matters

Schedule A
Rule Amendments

Amendment Instrument for National Instrument 58-101 *Disclosure of Corporate Governance Practices*

1. **National Instrument 58-101 *Disclosure of Corporate Governance Practices* is amended by this Instrument.**

2. **Section 1.1 is amended by adding the following definition:**

   "major subsidiary" has the same meaning as in National Instrument 55-104 *Insider Reporting Requirements and Exemptions*; **.**

3. **Form 58-101F1 *Corporate Governance Disclosure* is amended by adding the following after Item 9:**

   10. Director Term Limits and Other Mechanisms of Board Renewal (Manitoba, New Brunswick, Newfoundland and Labrador, Northwest Territories, Nova Scotia, Nunavut, Ontario, Québec and Saskatchewan only) – Disclose whether or not the issuer has adopted term limits for the directors on its board or other mechanisms of board renewal and, if so, include a description of those director term limits or other mechanisms of board renewal. If the issuer has not adopted director term limits or other mechanisms of board renewal, disclose why it has not done so.

   11. Policies Regarding the Representation of Women on the Board (Manitoba, New Brunswick, Newfoundland and Labrador, Northwest Territories, Nova Scotia, Nunavut, Ontario, Québec and Saskatchewan only) –

   (a) Disclose whether the issuer has adopted a written policy relating to the identification and nomination of women directors. If the issuer has not adopted such a policy, disclose why it has not done so.

   (b) If an issuer has adopted a policy referred to in (a), disclose the following in respect of the policy:
   (i) a short summary of its objectives and key provisions,
   (ii) the measures taken to ensure that the policy has been effectively implemented,
   (iii) annual and cumulative progress by the issuer in achieving the objectives of the policy, and
   (iv) whether and, if so, how the board or its nominating committee measures the effectiveness of the policy.

12. *Consideration of the Representation of Women in the Director Identification and Selection Process* (Manitoba, New Brunswick, Newfoundland and Labrador, Northwest Territories, Nova Scotia, Nunavut, Ontario, Québec and Saskatchewan only) – Disclose whether and, if so, how the board or nominating committee considers the level of representation of women on the board in identifying and nominating candidates for election or re-election to the board. If the issuer does not consider the level of representation of women on the board in identifying and nominating candidates for election or re-election to the board, disclose the issuer's reasons for not doing so.

13. *Consideration Given to the Representation of Women in Executive Officer Appointments* (Manitoba, New Brunswick, Newfoundland and Labrador, Northwest Territories, Nova Scotia, Nunavut, Ontario, Québec and Saskatchewan only) – Disclose whether and, if so, how the issuer considers the level of representation of women in executive officer positions when making executive officer appointments. If the issuer does not consider the level of representation of women in executive officer positions when making executive officer appointments, disclose the issuer's reasons for not doing so.

14. *Issuer's Targets Regarding the Representation of Women on the Board and in Executive Officer Positions* (Manitoba, New Brunswick, Newfoundland and Labrador, Northwest Territories, Nova Scotia, Nunavut, Ontario, Québec and Saskatchewan only) –

    (a) For purposes of this Item, a "target" means a number or percentage, or a range of numbers or percentages, adopted by the issuer of women on the issuer's board or in executive officer positions of the issuer by a specific date.

    (b) Disclose whether the issuer has adopted a target regarding women on the issuer's board. If the issuer has not adopted a target, disclose why it has not done so.

    (c) Disclose whether the issuer has adopted a target regarding women in executive officer positions of the issuer. If the issuer has not adopted a target, disclose why it has not done so.

    (d) If the issuer has adopted a target referred to in either (b) or (c), disclose:
        (i) the target, and
        (ii) the annual and cumulative progress of the issuer in achieving the target.

15. *Number of Women on the Board and in Executive Officer Positions* (Manitoba, New Brunswick, Newfoundland and Labrador, Northwest Territories, Nova Scotia, Nunavut, Ontario, Québec and Saskatchewan only) –

(a) Disclose the number and proportion (in percentage terms) of directors on the issuer's board who are women.

(b) Disclose the number and proportion (in percentage terms) of executive officers of the issuer, including all major subsidiaries of the issuer, who are women. **.**

4. **The Instructions of Form 58-101F1 are amended by adding the following sections:**

(4) An issuer may disclose any additional information that is relevant in order to understand the context of the information disclosed by the issuer under Item 15(a) or (b) of this Form.

(5) An issuer may incorporate information required to be disclosed under Items 10 to 15 by reference to another document. The issuer must clearly identify the reference document or any excerpt of it that the issuer incorporates into the disclosure provided under Items 10 to 15. Unless the issuer has already filed the reference document or excerpt under its SEDAR profile, the issuer must file it at the same time as it files the document containing the disclosure required under this Form. **.**

5. **This Instrument only applies to management information circulars and AIFs, as the case may be, which are filed following an issuer's financial year ending on or after December 31, 2014.**

6. **This Instrument comes into force on December 31, 2014.**

Schedule B
Summary of Changes to the January 2014 Materials and July 2014 Materials

The following is a summary of notable changes between the Rule Amendments and the January 2014 Materials and July 2014 Materials.

Director term limits and other mechanisms of board renewal

The January 2014 Materials and the July 2014 Materials contemplated requiring non-venture issuers to disclose whether or not the issuer has adopted term limits for the directors on its board and if the issuer has not adopted director term limits, it should explain why it has not. In proposing this disclosure requirement, the Participating Jurisdictions noted that regular renewal of board membership contributes to the effectiveness of a board. Director term limits can promote an appropriate level of board renewal and in doing so provide opportunities for qualified board candidates, including those who are women.

Many commenters expressed support for this disclosure requirement. However, some commenters noted that there are other mechanisms of board renewal. After considering the comments, we have revised this disclosure requirement to recognize that there are many mechanisms of board renewal, including director term limits and the regular assessment of the effectiveness and contribution of directors. This disclosure requirement now reads:

> Disclose whether or not the issuer has adopted term limits for the directors on its board or other mechanisms of board renewal and, if so, include a description of those director term limits or other mechanisms of board renewal. If the issuer has not adopted director term limits or other mechanisms of board renewal, disclose why it has not done so.

Policies regarding the representation of women on the board

The January 2014 Materials and the July 2014 Materials contemplated requiring non-venture issuers to disclose whether the issuer has adopted a policy for the identification and nomination of women directors.

Many commenters supported a narrow interpretation of the term "policy" in this context, which would only include written policies and not informal, unwritten policies. After considering the comments, we have clarified that the reference to "policy" is to a written policy. This disclosure requirement now reads:

> (a) Disclose whether the issuer has adopted a written policy ~~for~~relating to the identification and nomination of women directors. If the issuer has not adopted such a policy, disclose why it has not done so.

(b) If an issuer has adopted a policy referred to in (a), disclose the following in respect of the policy:
   (i) a short summary of its objectives and key provisions,
   (ii) the measures taken to ensure that the policy has been ~~implemented~~ effectively implemented,
   (iii) annual and cumulative progress by the issuer ~~on~~in achieving the objectives of the policy, and
   (iv) whether and, if so, how~~,~~ the board or its nominating committee measures the effectiveness of the policy.

Issuer's targets regarding the representation of women on the board and in executive officer positions

The January 2014 Materials and the July 2014 Materials contemplated requiring non-venture issuers to disclose whether the issuer has adopted target(s) regarding women on the issuer's board and, if so, the annual and cumulative progress of the issuer in achieving the target(s).

One commenter suggested that issuers should also be required to disclose the actual targets themselves. After considering the comment, we have clarified that if an issuer has adopted such a target, it should disclose the target as well as the annual and cumulative progress of the issuer in achieving the target. This disclosure requirement now reads:

(a) For purposes of this Item, a "target" means a number or percentage, or a range of numbers ~~and~~or percentages, adopted by the issuer of women on the issuer's board or in executive officer positions of the issuer by a specific date.

(b) Disclose whether the issuer has adopted a target~~(s)~~ regarding women on the issuer's board. If the issuer has not adopted ~~such~~ a target~~(s)~~, disclose why it has not done so.

(c) Disclose whether the issuer has adopted a target~~(s)~~ regarding women in executive officer positions of the issuer. If the issuer has not adopted ~~such~~ a target~~(s)~~, disclose why it has not done so.

(d) If the issuer has adopted a target~~(s)~~ referred to in either ~~Item 14~~(b) or (c), disclose:
   (i) the target~~(s)~~, and
   (ii) the annual and cumulative progress of the issuer in achieving ~~its~~the target~~(s)~~.

Number of women on the board and in executive officer positions

The January 2014 Materials and the July 2014 Materials contemplated requiring non-venture issuers to disclose the number and proportion (in percentage terms) of executive officers of the issuer, including all subsidiary entities of the issuer, who are women.

Several commenters supported this disclosure requirement. However, a few commenters expressed concern regarding the disclosure obligations relating to subsidiary entities where an issuer has several subsidiary entities. After considering the comments, we have clarified that this disclosure is only required in respect of "major subsidiaries". The term "major subsidiary" has the same meaning as in National Instrument 55-104 *Insider Reporting Requirements and Exemptions*, which is:

> "major subsidiary" means a subsidiary of an issuer if
>
> (a) the assets of the subsidiary, as included in the issuer's most recent annual audited or interim balance sheet, or, for a period relating to a financial year beginning on or after January 1, 2011, a statement of financial position, are 30 per cent or more of the consolidated assets of the issuer reported on that balance sheet or statement of financial position, as the case may be, or
>
> (b) the revenue of the subsidiary, as included in the issuer's most recent annual audited or interim income statement, or, for a period relating to a financial year beginning on or after January 1, 2011, a statement of comprehensive income, is 30 per cent or more of the consolidated revenue of the issuer reported on that statement;

This disclosure requirement now reads:

(a) Disclose the number and proportion (in percentage terms) of directors on the issuer's board who are women.

(b) Disclose the number and proportion (in percentage terms) of executive officers of the issuer, including all ~~subsidiary entities~~major subsidiaries of the issuer, who are women.

Application of Rule Amendments

We have clarified when the Rule Amendments will apply. The Rule Amendments apply to management information circulars and annual information forms (**AIF**s), as the case may be, which are filed following an issuer's financial year ending on or after December 31, 2014.

Schedule C
List of Commenters

Commenters on January 2014 Materials

1. Addenda Capital Inc.
2. Alberta Investment Management Corporation
3. Nancy Hughes Anthony, Mary-Ann Bell, Micheline Bouchard, Helen Burstyn, Denise Carpenter, Sherry Cooper, Jocelyne Côté-O'Hara, Sylvia Chrominska, Pauline Couture, Peggy Cunningham, Peter W. Currie, Shirley Dawe, Graham Day, Bonnie DuPont, Wendy Evans, Myra A. Freeman, Shari Graydon, Cheryl Hodder, Linda Hohol, Beth S. Horowitz, Claude Lajeunesse, Mary Susanne Lamont, Spencer Lanthier, Ramona Lumpkin, Fiona Macfarlane, Veronica S. Maidman, Nancy McKinstry, Anne McLellan, Patrice E. Merrin, Ellen J. Moore, Robert Murdock, Patrick O'Callaghan, Karen Oldfield, Valerie Payn, Sherry Porter, Ruth Ramsden-Wood, Maureen Reid, Janis A. Riven, Andrea Rosen, Deanna Rosenswig, Connie Roveto, Dawn Russell, Michelle Savoy, Kathleen Sendall, Gerri Sinclair, Judy A. Steele, Carol Stephenson, Constance L. Sugiyama, Stella Thompson, Annette Verschuren and Kim West
4. Chris Barrner
5. Beverly Behan
6. Bell Kearns & Associates Ltd.
7. Bennett Jones LLP
8. BMO Financial Group
9. Bombardier Inc.
10. British Columbia Investment Management Corporation
11. Business and Professional Women's Clubs of Ontario
12. Caisse de dépôt et placement du Québec
13. Canadian Association of Petroleum Producers
14. Canadian Bankers Association
15. Canadian Board Diversity Council
16. Canadian Coalition for Good Governance
17. Canadian Council of Chief Executives
18. Canadian Federation of University Women
19. Canadian Investor Relations Institute
20. Canadian Oil Sands Limited
21. Catalyst Canada
22. Chartered Professional Accountants Canada
23. Jennifer Clarke, Brenda Eaton, Pat Jacobsen, Mary Jordan, Alice Laberge, Fiona Macdonald, Nancy McKinstry, Joanne McLeod, Sarah Morgan-Silvester, Loreen Paananen, Bev Park, Jane Peverett, Elise Rees, Marcella Szel, Victoria Withers, and Janet Woodruff
24. The Coalition for Real Equity
25. Deloitte LLP
26. Dentons Canada LLP
27. Ernst & Young LLP

28. F&C Management Limited
29. Fédération des caisses Desjardins du Québec
30. J. William Galbraith
31. Gaz Métro
32. Hansell LLP
33. Institute of Corporate Directors
34. Investor Advisory Panel
35. KPMG LLP
36. Thomas Matthews
37. McCarthy Tétrault LLP
38. Eileen Mercier
39. Mercer (Canada) Limited
40. NEI Investments
41. Norton Rose Fulbright Canada LLP
42. OceanRock Investments Inc.
43. Ontario Bar Association
44. Pension Investment Association of Canada
45. Public Sector Pension Investment Board
46. Shareholder Association for Research and Education
47. Shaw Communications Inc.
48. TELUS Corporation
49. TMX Group Limited
50. Trusted Advisory Board
51. The Vancouver Board of Trade
52. Women's Executive Network

Commenters on July 2014 Materials

1. BMO Financial Group
2. Caisse de dépôt et placement du Québec
3. Canadian Coalition for Good Governance
4. Canadian Investor Relations Institute
5. Catalyst Canada
6. Pauline Couture, Shirley Dawe, Linda Hohol, Beth Horowitz, Maureen Reid, C.L. Sugiyama and Stella Thompson
7. Digital Nova Scotia
8. Ernst & Young LLP
9. Hansell LLP
10. Institute of Corporate Directors
11. Kenmar Associates
12. Mercer (Canada) Limited
13. Mouvement des caisses Desjardins
14. Norton Rose Fulbright Canada LLP
15. Public Sector Pension Investment Board
16. Shareholder Association for Research and Education

17. Small Investors Protection Association
18. The Women's Legal Education and Action Fund

Schedule D
Summary of Comments and Responses of Participating Jurisdictions

The Participating Jurisdictions received 70 letters from 56 commenters in response to the proposed amendments (the **Proposed Amendments**) to Form 58-101F1 that were published for comment on January 16, 2014 in Ontario and on July 3, 2014 in the remaining Participating Jurisdictions. Having considered these comments and consistent with the responses set out below, we are implementing the Rule Amendments. Unless otherwise stated, when we refer to issuers in our responses, we are referring to the non-venture issuers to which the Rule Amendments will apply.

This summary of comments and responses of the Participating Jurisdictions is divided into the following sections:

A. General comments (No. 1-9)
B. Director term limits and other mechanisms of board renewal (No. 10-29)
C. Policies regarding the representation of women on the board (No. 30-39)
D. Consideration of the representation of women in the director identification and selection process (No. 40-42)
E. Consideration given to the representation of women in executive officer appointments (No. 43-44)
F. Issuer's targets regarding the representation of women on the board and in executive officer positions (No. 45-51)
G. Number of women on the board and in executive officer positions (No. 52-58)
H. Review of compliance with any new disclosure requirements after issuers have provided disclosure for three annual reporting periods (No. 59-61)
I. Other comments (No. 62-73)

No.	Topic	Summary of comments	Responses of Participating Jurisdictions
A. General comments			
1.	Support for the scope and content of the overall proposal	Thirty-three commenters indicated general agreement with the scope and content of the Proposed Amendments. In particular, twenty-four commenters expressed support for the "comply or explain" approach.	We acknowledge these comments of general agreement.

No.	Topic	Summary of comments	Responses of Participating Jurisdictions
2.	Support for flexible approach	One commenter who supported the overall content and scope of the Proposed Amendments, was of the view that the considerations and policies of issuers with respect to board appointments or the appointment of senior management will not, and should not, be the same for all issuers.	We agree that the considerations and policies of issuers with respect to board appointments and the appointment of senior management will not, and should not, be the same for all issuers. The "comply or explain" approach embodied by the Rule Amendments provides flexibility for issuers. The Rule Amendments do not require that issuers adopt policies but rather allow issuers to determine the considerations and policies with respect to board appointments and the appointment of senior management that are appropriate to their individual circumstances.
3.	Opposition to overall proposal	Four commenters were opposed to the Proposed Amendments. One such commenter was of the view that corporate governance and disclosure rules should provide issuers with the flexibility to adopt corporate governance, disclosure as well as board and management recruitment policies and practices that both comply with applicable legal requirements and suit their own particular needs and circumstances. The commenter further believed that the "one size fits all" approach taken by the Proposed Amendments would eliminate flexibility, ignore the unique circumstances and needs of issuers and could lead to unintended consequences. The commenter was of the view that an issuer should be free to seek the most qualified persons, regardless of gender, because this approach would allow the issuer to make decisions that are in the best interests	We acknowledge these comments of opposition. However, we believe that the Rule Amendments will provide issuers with the flexibility to adopt corporate governance, disclosure as well as board and management recruitment policies and practices that both comply with legal requirements and suit their own particular needs and circumstances. We disagree that the approach taken by the Rule Amendments is a "one size fits all" approach. We also disagree that the approach would eliminate flexibility, ignore the unique circumstances and needs of issuers or limit the ability of issuers to act in their best interests and those of their shareholders. Rather, we believe the Rule Amendments take a nuanced approach, provide flexibility and acknowledge the unique circumstances and needs of issuers.

No.	Topic	Summary of comments	Responses of Participating Jurisdictions
		of the company and its shareholders.	We agree with the commenter's view that issuers should be free to seek the most qualified persons. We believe that it is important for boards to select the most qualified candidates and to attract the broadest pool of qualified candidates. Attracting a broad pool will help to provide opportunities for qualified board candidates, including those who are women.
4.	Opposition in relation to controlled companies	One commenter was of the view that the Proposed Amendments serve little purpose for controlled companies while imposing additional costs and complexity on the process for electing directors, and ultimately not serving the best interests of shareholders.	We acknowledge this comment. However, we believe the Rule Amendments will provide issuers with the flexibility to adopt, if appropriate, policies that take into account their unique circumstances.
5.	Concerns regarding limited scope of the proposal	One commenter did not support the limited scope of the Proposed Amendments because they do not address the need for programs aimed at increasing the number of qualified women who are open to pursuing and actively pursue appointments to boards and executive officer positions.	The Rule Amendments are intended to increase transparency so that investors can make informed investment and voting decisions. We believe that the Rule Amendments provide issuers with the flexibility to implement such programs, if appropriate in their circumstances.
6.	Inappropriateness of securities regulatory oversight	Two commenters were of the view that representation of women on boards and in senior management positions should not be the subject of securities regulatory oversight.	The Participating Jurisdictions currently have regulatory oversight of corporate governance matters and the Rule Amendments fall within the ambit of that regulatory oversight. The Rule Amendments encourage effective governance, educate investors and provide transparency.

No.	Topic	Summary of comments	Responses of Participating Jurisdictions
7.	Concern about relationship between gender diversity and board effectiveness	One commenter was of the view that: • The Proposed Amendments reflect a spurious positive linkage between better decision-making, greater transparency, gender representation, and board effectiveness. • The case has not been made to connect better decision-making, through transparency and altered gender representation, leading to more effective boards. • Since women make up half of the university populations today, as women move into their careers and into the business world, the number of women represented in senior management and on boards will naturally increase. • The Proposed Amendments may be problematic for companies, especially smaller capitalization companies. For example, the commenter pointed to the resource and construction sectors, where representation of women has historically been low because women did not traditionally go into these fields or were not encouraged to do so.	We acknowledge these comments. We refer to the research outlined in the Consultation Paper and the transcript from the October 2013 OSC Roundtable, both of which outline the "business case" for having women on boards and in senior management. Further, we believe that the Rule Amendments will provide issuers with the flexibility to tailor their policies and practices to reflect their particular circumstances.
8.	Concern about interference with business judgement	One commenter was of the view that the Proposed Amendments unjustifiably questioned business judgement, and would, therefore, unnecessarily interfere with private enterprise. The commenter suggested the implementation of a rule similar to the "Rooney Rule", which was implemented in the National Football League in order to increase the representation of visible minorities in team administration. By following a similar rule, this commenter suggested that non-venture issuers	We acknowledge this comment. The Rule Amendments are intended to address disclosure relating to corporate governance, with a view to providing investors with information, thereby allowing them to make informed investment and voting decisions. We believe that implementing a rule similar to the "Rooney Rule" adopted by the National Football League is not consistent with the more flexible comply or explain approach embodied in the Rule Amendments, which allow issuers to

No.	Topic	Summary of comments	Responses of Participating Jurisdictions
		would be required to interview at least one female candidate for any available board or senior management position.	adopt policies and procedures appropriate to their circumstances.
9.	Diversity as strategic priority	One commenter suggested that a non-venture issuer should be required to adopt a performance model whereby diversity is a strategic priority. The commenter was of the view that the chair of the board should be accountable for communicating the business case for diversity to the rest of the board and the CEO. The chair of the board should be responsible to create a model for board diversity which includes goals and timelines for achievement. Goals for executive officer representation should be embedded into CEO business accountabilities.	Requiring issuers to adopt a performance model whereby diversity is a strategic priority would go beyond a "comply or explain" disclosure model. However, any issuer that chose to adopt such a performance model may choose to voluntarily disclose the details associated with it.
B. Director term limits and other mechanisms of board renewal			
10.	Support for disclosure regarding director term limits	Twenty-six commenters supported requiring disclosure regarding director term limits.	We acknowledge these comments of support.
11.	Benefits of director term limits	Twelve commenters were of the view that director term limits are associated with certain benefits. Six of these commenters were of the view that requiring disclosure regarding director term limits will encourage an appropriate level of board renewal. Other examples of benefits of the Proposed	We agree that director term limits are one way to achieve board renewal and note that there are also other ways.

No.	Topic	Summary of comments	Responses of Participating Jurisdictions
		Amendments that commenters mentioned included encouraging board diversity, allowing investors to assess key aspects of board governance such as independence, improving the director evaluation process, and giving companies the opportunity to review their directors' appointment process.	
12.	Support for required disclosure of director term limits by issuers	Four commenters suggested that issuers that have director term limits should be required to disclose those term limits.	We agree with this comment. The Rule Amendments require that issuers that have director term limits provide a description of those term limits.
13.	Support for disclosure regarding use of discretion to override director term limits	One commenter was of the view that, where issuers have adopted director term limits, they should also indicate where and why discretion has been exercised to override the limits in the case of individual directors. The commenter further suggested that this may already be implied in item 10 [Director Term limits and Other Mechanisms of Board Renewal] of Form 58-101F1, but that the requirement could be clarified.	We do not think that it is necessary to require disclosure relating to particular directors as part of the Rule Amendments. We also note that information relating to individual directors is required to be disclosed under item 7 [Election of Directors] of Form 51-102F5 *Information Circular* (**Form 51-102F5**).
14.	Support for disclosure regarding independence of long-tenured directors	Two commenters suggested strengthening the disclosure requirements regarding director term limits by requiring disclosure of how directors of longer tenure (more than 10 years) maintain their independence.	The meaning of director independence for the purpose of NI 58-101 is set out in section 1.4 [Meaning of Independence] of National Instrument 52-110 *Audit Committees* and Form 58-101F1 requires disclosure regarding the independence of directors. While we acknowledge that the tenure of a director may be a relevant factor when considering the independence of a director, we are not proposing changes to the meaning of independence or the

No.	Topic	Summary of comments	Responses of Participating Jurisdictions
			related disclosure at this time.
15.	Support for mandatory or suggested director term limits or guidance	Four commenters were in favour of some form of mandatory or suggested director terms limits. One such commenter was of the view that a disclosure requirement is important but is not sufficient to generate board renewal. The commenter suggested a requirement that issuers set director term limits. As an alternative, the commenter proposed enhanced disclosure until such a requirement could be implemented. One commenter suggested providing guidance to issuers related to a proportion of directors who could be excluded from such a policy to take account of the significant value that can be offered by long-serving directors. One commenter was of the view that a "comply or explain" regime with flexible targets is likely to have far more impact than the disclosure of director term limits requirement.	We acknowledge these comments. We do not propose to mandate or suggest appropriate director term limits at this time. We recognize that there are other mechanisms that will facilitate board renewal and the Rule Amendments take a flexible approach that permits issuers to tailor their policies to their circumstances.
16.	Challenge in defining appropriate director term limits	One commenter was of the view that defining appropriate director term limits can be challenging. The commenter suggested monitoring the area with successive disclosures.	We also believe that the disclosure requirement may contribute to a better understanding of best practices.

No.	Topic	Summary of comments	Responses of Participating Jurisdictions
17.	Opposition to link between additional disclosure requirement and gender diversity	One commenter was supportive of additional disclosure of this nature. However, the commenter was of the view that director term limits impact a broader range of matters than just board diversity and believed that it would be incorrect to draw correlations between an issuer's appointment of a woman to their board and that issuer's adoption of director term limits. For this reason, the commenter recommends that this type of disclosure not be included in the context of director term limits.	We acknowledge this comment. We note that the disclosure requirement related to director term limits and other mechanisms of board renewal is a stand-alone item in the Rule Amendments. We expect that the information disclosed under this requirement will be helpful to investors when assessing an issuer's approach to board renewal as it relates to gender diversity and more generally.
18.	Opposition to mandatory or suggested director term limits	Four commenters were of the view that the Proposed Amendments should not specify terms limits to be adopted by issuers. One of these commenters did not believe that imposing mandatory director term limits would be appropriate as it would fail to take into account the diverse business needs of different issuers.	We acknowledge these comments. The Rule Amendments do not specify mandatory or suggested director term limits. The Rule Amendments reflect that there are other mechanisms for achieving board renewal.
19.	Opposition to director term limits	Five commenters were opposed to the requirement to disclose director term limits. Two such commenters were of the view that the implementation of director term limits is an inappropriate and unproven way of increasing board effectiveness because it discounts the value of experience and continuity amongst board members and may lead to the exclusion of valuable board members. These commenters were also of the view that the imposition of director term limits creates particular difficulties for controlled companies,	We have revised the Rule Amendments so that the disclosure requirement is not focused solely on director term limits but instead also requires transparency regarding board renewal more generally. As the Rule Amendments impose disclosure requirements but do not mandate the adoption of polices related to board renewal, we believe that issuers will have the flexibility to choose which, if any, mechanism of board renewal is appropriate for their circumstances.

No.	Topic	Summary of comments	Responses of Participating Jurisdictions
		including by usurping the right of controlling shareholders to elect their choice of board members.	
20.	Impact of director term limits in increasing board effectiveness	One commenter was not convinced that disclosure of director term limits is an effective mechanism to increase the flow of female talent onto Canadian boards. The commenter suggested that the focus should be placed on board performance evaluations. This commenter was also of the view that board evaluations may be a more effective means of addressing director independence than director term limits.	The Rule Amendments encourage issuers to adopt and disclose the approach to board renewal that they believe to be the most effective and best suited to their circumstances.
21.	Concerns regarding disclosure requirement	Four commenters were of the view that requiring disclosure of director term limits would lead issuers to put terms limits in place and could thereby encourage an inappropriate degree of director turnover. One of these commenters was of the view that proxy advisors might view the disclosure of no director term limits as a governance failure and pressure the issuer to adopt director term limits.	The Rule Amendments recognize that there was broad support for the disclosure of director term limits but requires issuers to explain their particular approach to board renewal. Issuers are given an opportunity to be transparent with investors about their approach to board renewal so that investors can make an informed assessment of the issuer's corporate governance practices.
22.	Need or demand for director term limits	One commenter was of the view that there should be a demonstrated need or demand for director term limits prior to recommending them. This commenter noted that director term limits may lead to reluctance to point out underperformance on the part of a director as it may be easier to wait until the end of the underperforming director's term.	We are not recommending or mandating director term limits, but rather requiring transparency in relation to director term limits as well as other mechanisms of board renewal. Furthermore, the Rule Amendments are not intended to suggest that issuers that implement director term limits should rely on those limits as

No.	Topic	Summary of comments	Responses of Participating Jurisdictions
			their only mechanism of board renewal. We encourage issuers to adopt policies that are appropriate to their circumstances and that will maximize the effectiveness of their boards.
23.	Further consultation	Four commenters were of the view that further consultation would be appropriate prior to the imposition of a disclosure requirement related to director term limits. One of these commenters expressed that the issue of director term limits is broader than its relationship to diversity.	We acknowledge these comments. The development of a disclosure record relating to director term limits as well as other mechanisms of board renewal may facilitate better understanding for issuers and other stakeholders of best practices in relation to board renewal. We agree that director term limits are relevant to aspects of corporate governance other than diversity and note that the disclosure requirement regarding director term limits and other mechanisms of board renewal is a stand-alone item in Form 58-101F1.
24.	Benefits of board renewal	Two commenters were of the view that board renewal is generally associated with certain benefits. Examples of benefits mentioned by commenters include increasing diversity and adding new perspectives to the board.	We acknowledge these comments. We believe that board renewal is an important aspect of corporate governance.
25.	Other mechanisms of board renewal	Nine commenters were of the view that director term limits are not the only means of achieving board renewal. Many of these commenters were of the view that director term limits have not been established as a best practice.	We acknowledge these comments. We agree that there are other means of achieving board renewal. The Rule Amendments leave to the issuer the decision of which, if any, mechanism of board renewal is appropriate in its circumstances.

No.	Topic	Summary of comments	Responses of Participating Jurisdictions
		Rather, many of these commenters mentioned other mechanisms of board renewal could be preferable such as the director and committee evaluation process, mandatory retirement age policies, identification of skills and needs and succession planning.	
26.	Disclosure of other mechanisms of board renewal	Two commenters suggested that issuers be required to disclose any mechanisms they utilize that support board renewal and not necessarily restrict the disclosure to director term limits. One of these commenters was of the view that the disclosure should include the details of the policy and the rationale for it. Furthermore, this commenter suggested that boards that have adopted a director term limit or retirement age policy should be allowed to set and disclose a discretionary target for a proportion of board members to be excluded from this policy.	We agree that issuers should be required to disclose any mechanisms of board renewal they utilize and have revised the Rule Amendments accordingly. The Rule Amendments now require a description of the director term limits or other mechanisms of board renewal employed by the issuer. Issuers are free to adopt the policies that suit their circumstances including targets for exceptions from such policies.
27.	Support for additional disclosure regarding new board appointments	Twenty-three commenters believed that requiring non-venture issuers to disclose: • the number of new directors appointed at the last annual general meeting, and • the number of new directors appointed that were women, would be helpful for monitoring the renewal of board membership as well as resulting in progress towards greater gender diversity.	We acknowledge these comments of support. However, on reflection, we agree with commenters who believed that this information would be sufficiently discernible from other disclosure requirements such as item 7 [Election of Directors] of Form 51-102F5, which requires issuers to identify proposed directors. Furthermore, we believe that year-over-year comparison of the disclosure required by item 15 [Number of Women on the Board and in Executive Officer Positions] of

No.	Topic	Summary of comments	Responses of Participating Jurisdictions
		One such commenter was of the view that such disclosure requirements would provide enhanced information about the dynamics of the board's composition and provide information to boards, and shareholders alike, to determine if the policies adopted by the board are effective. One such commenter was of the view that this information should be disclosed as it aligns with the other disclosure requirements in the Proposed Amendments, and would not require greater effort or a higher degree of information disclosure. Two commenters were of the view that disclosure of new appointments and the number of women among them should be discernible to investors from the issuer's proxy circular, but did not oppose the disclosure requirements on that basis. One commenter was of the view that the number of vacancies to be filled at the next annual general meeting should also be disclosed.	Form 58-101F1 will provide meaningful information to investors who would like to monitor the renewal of board membership and progress towards greater gender diversity.
28.	Opposition to additional disclosure regarding board appointments	Four commenters opposed these additional disclosure requirements. Three such commenters expressed that additional disclosure requirements were not necessary because the information could be gleaned from disclosure that is already required in other documents such as the management proxy circular.	We acknowledge these comments and note that the Rule Amendments do not require such additional disclosure.

No.	Topic	Summary of comments	Responses of Participating Jurisdictions
		One of these commenters was of the view that this additional requirement could unfairly penalize entities who already have a significant portion of women on their board and by virtue of this do not need to have as high of a proportion of female appointees. One commenter was of the view that additional disclosure is not necessary because most issuers will provide this disclosure out of necessity when explaining their targets and achievements.	
29.	Suggested additional disclosure	Two commenters suggested further disclosure requirements. One commenter suggested that non-venture issuers should disclose: • the skills, experience, qualities and diversity of current directors, • inclusion of diversity as a consideration of the skills and competencies required by the board, and • the number of new directors appointed and how many of these new appointments were women in each of the last three years. The commenter was of the view that information for one year will not provide investors with the information needed to assess whether a non-venture issuer is making progress. One commenter was of the view that the number of women on the nominating committee should also be	We believe that item 6 [Nomination of Directors] of Form 58-101F1 provides sufficient information regarding the board renewal process.

No.	Topic	Summary of comments	Responses of Participating Jurisdictions
		disclosed. The commenter also suggested that documents and data supporting disclosure could include copies of "search criteria" finalized by executive search firms.	
C. Policies regarding the representation of women on the board			
30.	Support for disclosure of policies regarding the representation of women on the board	Ten commenters supported requiring disclosure of policies regarding the representation of women on the board. In noting their support, one commenter was of the view that boards that adopt policies advancing gender diversity should be more successful in achieving this objective. In addition, another commenter was of the view that such disclosure will allow investors to get a better understanding of a company's approach regarding the representation of women on the board and how this fits within a company's process. This type of disclosure, the commenter believes, will: • provide greater transparency of policies and processes, • promote dialogue with issuers, and • help to address this issue in a more concrete way, all of which will result in greater representation of women on boards. One commenter was also of the view that a diversity policy should result in real change within an	We acknowledge these comments of support.

No.	Topic	Summary of comments	Responses of Participating Jurisdictions
		organization and not merely be adopted to address a disclosure requirement. The commenter was also of the view that adopting a diversity and inclusion approach that is data driven as well as closely linked to the organization's business strategy and culture will make it more effective in creating real change.	
31.	Disclosure of policies and programs aimed at increasing the representation of women	One commenter was of the view that the Proposed Amendments should also require disclosure regarding policies and programs implemented to increase the participation of qualified women in order to provide transparency regarding steps taken to increase the number of women.	The Rule Amendments are intended to increase transparency so that investors may make informed investment and voting decisions. If an issuer has adopted such a written policy, we expect an issuer to disclose it. In addition, we believe that the Rule Amendments provide issuers with the flexibility to implement such programs, if appropriate in their circumstances.
32.	Definition of policy – support for limiting definition to written policies	Eighteen commenters supported a narrow interpretation of the term "policy", which only includes written policies. Reasons cited included that written policies are considered to be more effective. They have the advantage of greater transparency, consistency and measurability with respect to application and outcomes over unwritten policies.	We agree that the term "policy" for the purposes of this disclosure requirement should only include written policies. We have clarified the Rule Amendments to refer to "written" policies, as they provide greater transparency, consistency and measurability with respect to application and outcomes.
33.	Definition of policy – support for broad definition including unwritten,	Ten commenters supported a broad interpretation of the term "policy" as long as it has the required impact within the organization. The commenters were of the view that a broad interpretation gives issuers the flexibility in the form of policy they adopt.	As noted above, we believe that the term "policy" for the purposes of this disclosure requirement should only include written policies, and we have amended the Rule Amendments accordingly. The Rule Amendments do not require that an issuer

No.	Topic	Summary of comments	Responses of Participating Jurisdictions
	informal policies	In addition to both formal written and informal unwritten policies, one commenter suggested that the term "policy" should include guidelines, policies, programs, practices, initiatives or any combination of these. Reasons cited for a broad interpretation of the term "policy" included: • a formal written policy is not necessary to achieve good outcomes in board and senior management gender diversity. • it is appropriate for the market (and not legislation) to dictate what type of policy would be appropriate in differing situations and to provide sufficient flexibility to reflect the different approaches issuers may take. • issuers are best positioned to determine their approaches to board diversity policies. In noting its support for a broader interpretation of "policy", however, one commenter believed that, in general, formal, written and board approved policies will encourage positive change and so are preferable to board and company reliance upon normative practices which may perpetuate the status quo. One commenter suggested the imposition of a test for the existence of an informal policy. If an issuer is not able to articulate a summary of its diversity policy objectives and provisions, then it should disclose that it does not have a formal or informal	have a written policy regarding the representation of women on boards. If an issuer does not have a written policy, but rather has an informal, unwritten policy, then the issuer may explain why it has not adopted a written policy by referring to its informal, unwritten policy and explaining why it believes that approach is appropriate for its particular circumstances.

No.	Topic	Summary of comments	Responses of Participating Jurisdictions
		policy for the purposes of this disclosure requirement and explain why not.	
34.	Disclosure requirement regarding normative practices	Two commenters suggested that issuers should disclose their reliance on either written policy or normative practices.	As noted above, an issuer is required to disclose whether it has adopted a written policy and, if not, explain why it has not done so. The explanation may include references to the issuer's reliance on normative practices.
35.	Availability of policy	One commenter suggested that if an issuer publicly discloses a formal policy, the issuer should indicate where the policy can be found.	If an issuer has adopted a written policy regarding the representation of women on its board, the issuer is required to disclose: • a short summary of its objectives and key provisions, • the measures taken to ensure that the policy has been effectively implemented, • annual and cumulative progress by the issuer in achieving the objectives of the policy, and • whether and, if so, how the board or its nominating committee measures the effectiveness of the policy. We believe that this summary information provides investors with sufficient information regarding the policy. An issuer is welcome to provide further information about the policy, or a link to the policy, if the issuer believes that information will be helpful to investors.
36.	Additional disclosure related to lack of policy	Two commenters suggested that an issuer be required to disclose, if the issuer has not adopted a policy regarding the representation of women on the	If an issuer has not adopted a policy, the issuer must disclose its reasons for not doing so. In addition, we note that disclosure of risks or opportunity costs

No.	Topic	Summary of comments	Responses of Participating Jurisdictions
		board, why it has not done so and explain any risks or opportunity costs associated with the decision not to have such a policy.	associated with decisions is not typically required under our corporate governance disclosure requirements set out in NI 58-101.
37.	Additional disclosure related to measurable objectives of policies	Two commenters expressed concern regarding the potentially broad interpretation of the phrase "measurable objective" set out in the summary information to be provided regarding a policy. They suggested that an issuer be required to disclose a short summary of the measurable objectives of a policy, including numerical targets (actual and percentage based on board size over the last five years) and key provisions.	We agree that measurement of a policy's effectiveness is important. As a result, if an issuer has adopted a policy regarding the representation of women on its board, the issuer is required to disclose, among other things: • a short summary of its objectives and key provisions, • annual and cumulative progress by the issuer in achieving the objectives of the policy, and • whether and, if so, how the board or its nominating committee measures the effectiveness of the policy. The Rule Amendments do not require issuers to adopt a policy. If adopted, however, it is left to issuers to decide how to frame their objectives. In addition, we note that an issuer is required to disclose any targets that it has adopted regarding women on its board. See the discussion below under "Disclosure of targets adopted regarding the representation of women on the board and in executive officer positions".
38.	Mandating policies	One commenter believed that the adoption of formal written policies should be explicitly mandated. The commenter noted that the lack of a policy can easily be explained leaving shareholders no better off than	We have not mandated any policies or practices. We think that corporate governance matters can be effectively and flexibly addressed through a "comply or explain" approach. We believe that

No.	Topic	Summary of comments	Responses of Participating Jurisdictions
		prior to a new rule being implemented.	issuers should be able to decide whether a formal, written policy regarding the representation of women on the board is the appropriate approach for the issuer after considering its particular circumstances. Once disclosure has been made, investors can then evaluate the issuer's approach.
39.	Providing guidelines or setting out best practices regarding diversity	One commenter suggested that National Policy 58-201 *Corporate Governance Guidelines* (**NP 58-201**) be updated to include recommended policies on gender diversity. This guidance would provide a framework for companies to develop their policies and benchmark their progress. Similarly, three other commenters observed that no corresponding changes have been made to NP 58-201 in connection with the Proposed Amendments. One of these commenters suggested that the outcomes that disclosure requirements are intended to support should be defined so that results can be assessed. The commenter suggested drawing on the language from OSC Report 58-402 outlining stakeholder perspectives on the value of diversity on boards and in senior management. Two of these commenters noted that the Proposed Amendments are not really a "comply or explain" model because there is no outlined policy or best practices to be complied with. They believed that NP 58-201 should be updated to include adoption of a gender diversity policy as well as consideration of	The Rule Amendments leave it to issuers to decide which corporate governance policies and practices relating to gender diversity are appropriate for their particular circumstances. Issuers must disclose their policies and practices so that investors may use that information to inform investment and voting decisions. We may consider amendments to NP 58-201 in the future in order to provide guidance on corporate governance policies and practices relating to gender diversity.

No.	Topic	Summary of comments	Responses of Participating Jurisdictions
		gender diversity in relation to board appointments and management succession planning amongst "best practices". Two commenters suggested "best practices" for issuers. Examples of suggested "best practices" included: • public companies should adopt a gender diversity policy, • nominating committees should consider gender diversity when identifying candidates for nomination to the board and in making recommendations should consider gender diversity of the board as a whole, • boards should consider gender diversity when carrying out management and succession planning, • director term limits, • reviewing workplace polices, practices and decision-making processes to identify factors resulting in systemic discrimination, and • activities to cultivate skills and technical knowledge in women in industries from which they have historically been excluded such as mentorship programs.	

No.	Topic	Summary of comments	Responses of Participating Jurisdictions
D. Consideration of the representation of women in the director identification and selection process			
40.	Support for disclosure of consideration of the representation of women in the director identification and selection process	Eleven commenters supported requiring disclosure regarding the consideration of the representation of women in the director identification and selection process. Cited reasons for support included: • This requirement will increase the probability that disclosed processes will be based on objective criteria. • This requirement will allow stakeholders to assess an issuer's level of engagement on these issues. • This disclosure will allow shareholders to assess an issuer's intentions regarding greater diversity. In expressing its support for the Proposed Amendments, one commenter noted this requirement would not pro-actively address the question of the board's underlying commitment to gender diversity.	We acknowledge these comments of support.
41.	Additional disclosure regarding director identification and selection	Five commenters supported explicit requirements for disclosure of other factors considered in the director identification or selection process. For example, additional suggested disclosure items included: • the use of search firms, • the female candidates included in the search, • the number of female candidates included in the	The Rule Amendments require an issuer to disclose whether and, if so, how the board or nominating committee considers the level of representation of women on the board in identifying and nominating candidates for election or re-election to the board. Issuers may adopt a variety of approaches to director identification and selection, including those suggested by the commenters. The Rule Amendments provide issuers with the flexibility to

No.	Topic	Summary of comments	Responses of Participating Jurisdictions
		search, including those without any prior public company board experience, • the search criteria, such as the board skills matrix, and • how the representation of women is integrated into the succession planning process.	determine the approaches that are best-suited for their particular circumstances.
42.	Additional disclosure requirement if no consideration of the representation of women	Two commenters were of the view that issuers for which the board does not consider the level of representation of women on boards in identifying and nominating candidates should be required to explain any risks or opportunity costs associated with the decision not to have such a policy (in addition to disclosing their reasons for not doing so).	If an issuer does not consider the level of representation of women on the board in identifying and nominating candidates for election or re-election to the board, the issuer must disclose its reasons for not doing so. The disclosure of risks or opportunity costs associated with particular decisions is not typically required under the corporate governance disclosure requirements set out in NI 58-101.
E. Consideration given to the representation of women in executive officer appointments			
43.	Support for disclosure of the consideration given to the representation of women in executive officer appointments	Eight commenters supported requiring disclosure of the consideration given to the representation of women in executive officer appointments. Reasons for support of this requirement included: • This disclosure will contribute to the progression of women into executive officer positions and thus widen the pool of potential board candidates. • This disclosure may encourage additional action on the part of issuers to identify barriers to advancement and solutions to such barriers. • This disclosure will lead to an increase in the	We acknowledge these comments of support.

No.	Topic	Summary of comments	Responses of Participating Jurisdictions
		number of women who have the requisite skills, management experience and credentials at an executive officer level to be considered for corporate board appointments.	
44.	Concerns regarding authority over executive officer appointments	Five commenters expressed concerns about the authority of securities regulators to regulate the appointment of executive officers. Four commenters believed that the appointment of executive officers is within the authority of the board. One such commenter noted that it should be left up to boards to measure the consideration given to the representation of women in executive officer positions within issuers' organizations. One commenter suggested that the disclosure requirements about female executive officers at the issuer and subsidiary levels may exceed the scope of the current corporate governance disclosure regime. One commenter also expressed that, in addition to the board, human rights legislation and provincial labour codes should be left to deal with these operational and human rights issues.	We acknowledge these comments. The Rule Amendments are consistent with the securities regulatory approach to corporate governance, which often requires disclosure of certain information pertaining to executive officers (for example, executive compensation disclosure) in order to provide greater transparency to investors. This increased transparency allows investors to make more informed investment and voting decisions. We believe that an issuer's overall approach to corporate governance includes the role of the board in appointing executive officers.
F. Issuer's targets regarding the representation of women on the board and in executive officer positions			
45.	Support for disclosure of targets	Ten commenters supported the requirement for non-venture issuers to disclose whether or not they have adopted targets for women on the board and, if not, why not. Nine commenters supported a similar	We acknowledge these comments of support.

No.	Topic	Summary of comments	Responses of Participating Jurisdictions
		requirement regarding targets for women in executive officer positions. One commenter noted the "comply or explain" approach with respect to targets will encourage issuers to adopt targets in each of the suggested areas. One commenter recognized that some issuers may find target-setting to be a useful tool within the context of their board renewal policies. However, the commenter noted that some issuers may find that targets do not fit within their cultures and may have other approaches to enhancing diversity that they believe to be more appropriate. This commenter supported a disclosure model whereby such issuers would be required to disclose how they otherwise plan to encourage diversity.	
46.	Concerns regarding disclosure of targets	Two commenters expressed concern about requiring disclosure of targets. These commenters believed that the Proposed Amendments could impede flexibility to implement policies that are most appropriate for a particular organization. One commenter was of the view that disclosure of diversity targets may lead to *de facto* mandates by proxy advisors and governance organizations. This pressure may lead issuers to nominate directors or to appoint executives without due deliberation or the benefit of proper succession planning.	The Rule Amendments are intended to allow issuers to adopt policies and practices that are tailored to their particular circumstances. We agree that there should be an appropriate, deliberate process for the nomination of directors and the appointment of executive officers. The Rule Amendments are intended to provide further transparency into the process and to provide investors with information to make investment and voting decisions.

No.	Topic	Summary of comments	Responses of Participating Jurisdictions
47.	Concerns regarding disclosure of targets – other selection criteria	Two commenters noted that there are a number of factors that a board or nominating committee will consider as it recruits new board members. Best practice requires a competency assessment, or skills matrix, for the new board as a whole to be considered. A potential board member's gender, cultural and ethnic background are often important to selection, but are not the only considerations. These commenters were of the view that it would be unfortunate if the disclosure requirements for gender diversity "targets", framed as they are, were to mischaracterize an issuer's strategic governance intentions as to board and senior management composition.	We agree that a number of factors are involved in selecting and nominating board candidates and that diversity may be one of many factors considered. This disclosure requirement is not intended to detract from the importance of other director selection criteria, but rather provide greater transparency into whether gender diversity is one of the factors taken into consideration in the director selection and nomination process.
48.	Disclosure of targets themselves	One commenter suggested that issuers should also be required to disclose the actual targets themselves.	We agree with this comment. We have amended the disclosure requirement in item 14 [Issuer's Targets Regarding the Representation of Women on the Board and in Executive Officer Positions] of Form 58-101F1 to clarify that an issuer should disclose the actual targets, if any, have been adopted.
49.	Target ranges	One commenter suggested that targets should be set within a range rather than based on absolute percentages.	The definition of "target", as set out in the Rule Amendments, is a number or percentage, or a range of numbers or percentages, adopted by the issuer of women on the issuer's board or in executive officer positions of the issuer by a specific date. Issuers may choose the appropriate formulation of their targets for their particular circumstances.

No.	Topic	Summary of comments	Responses of Participating Jurisdictions
50.	Disclosure of timeframe for achieving targets	Two commenters thought that the time frame for achieving targets should also be disclosed.	We agree with these comments. The definition of "target" refers to a specific date by which an issuer aims to achieve a specified level of representation of women in leadership roles. As a result, when disclosing a target, the issuer will be required to disclose that date. The Rule Amendments allow issuers the flexibility to determine the target date, if they are implementing a target.
51.	Mandated targets or quotas	Six commenters were in favour of mandated targets or quotas while seven commenters were opposed to or noted risks associated with the imposition of prescriptive quotas and targets. Of the commenters that favoured mandated targets or quotas, some suggested that such targets or quotas should be established by the securities regulator while others suggested that issuers should be required to set their own targets. One of these commenters also expressed support for mandating targets related to the appointment of women to executive officer positions. One commenter suggested that the goal should be for the issuer to demonstrate evidence of a rate of increase of women on the board across a reasonable length of time, such as a five-year period. One commenter suggested targets should apply to the representation of both women and men on the board, with the minimum target percentage for each	The Rule Amendments do not mandate the adoption of targets or quotas, but rather require disclosure of whether targets are in place and, if so, the details of those targets. The Rule Amendments are intended to allow issuers to adopt policies and practices that are tailored to their particular circumstances.

No.	Topic	Summary of comments	Responses of Participating Jurisdictions
		in the range of 30 to 40 percent to allow for flexibility.	
G. Number of women on the board and in executive officer positions			
52.	Support for disclosure of number of women on the board and in executive officer positions	Twelve commenters supported requiring disclosure of the number of women on the board and eleven commenters supported requiring disclosure of the number of women in executive officer positions. One such commenter was of the view that disclosure of the number of women on the board and in executive officer positions may more easily facilitate industry comparisons to positively effect change. One commenter noted that information relating to the number of women on the board and in executive officer positions is often already being reported and captured within the framework of the Global Reporting Initiative or is required to be reported under employment equity legislation. However, the commenter was supportive of making this information easy to find and analyze for investors.	We acknowledge these comments of support. We agree that disclosure of the number of women on the board and in executive officer positions may provide useful information to investors and may more easily facilitate comparisons among issuers.
53.	Additional disclosure – disclosure of number of women employees	Four commenters expressed interest in diversity at other levels of an organization, beyond the board and executive officer positions. In particular, three commenters suggested that it would be useful to also require the proportion of female employees in the whole organization.	We have not required disclosure of the number of female employees in the entire organization. This disclosure requirement relates to corporate governance and the representation of women in leadership roles. Issuers are welcome to provide information about the proportion of female employees in their organizations if they think that

No.	Topic	Summary of comments	Responses of Participating Jurisdictions
			information will be helpful to investors.
54.	Additional disclosure – disclosure of women on nominating committee	One commenter supported the disclosure by issuers of the number of women on their nominating committees as they are one of the "gate keepers" for the board.	The focus of this disclosure requirement is on the representation of women on boards and in senior management and the consideration of women on the board as part of the director selection and nomination process.
55.	Additional disclosure – disclosure of number of men	One commenter was of the view that the Proposed Amendments should require disclosure of the number of men on the board.	The Rule Amendments do not require the disclosure of the number of men on the board. Issuers are welcome to provide information about the proportion of all genders if they think that information will be helpful to investors.
56.	Disclosure of number of women in executive officer positions at subsidiaries of the issuer	Seven commenters expressed concern about the requirement to disclose the number of women in executive officer positions at an issuer's subsidiaries. Reasons for the concerns included: • Reporting at the subsidiary level may create a significant tracking and reporting burden for large corporate groups and it was questioned whether the cost and time to generate annual, reliable data on the number and proportion of executive officers who are women for each of the issuer's subsidiaries may outweigh its benefit, especially for larger issuers. • Due to their sizes, many "executive officers" of these subsidiaries, despite their titles, may not be senior leaders of the issuer. Thus, including	We acknowledge the challenges that may, in some cases, be associated with reporting the number and proportion of women in executive officer positions for all subsidiaries. However, we think that disclosure regarding subsidiaries will be meaningful in some instances such as in the context of a holding company with operating company subsidiaries. The Rule Amendments, therefore, limit the disclosure requirement to "major subsidiaries' as that term is defined in National Instrument 55-104 *Insider Reporting Requirements and Exemptions*. For the purpose of the Rule Amendments, the term "major subsidiary" means a subsidiary of an issuer if: (a) the assets of the subsidiary, as included in the

No.	Topic	Summary of comments	Responses of Participating Jurisdictions
		these statistics as part of the disclosure requirements may result in an inaccurate understanding of the level of diversity at the issuer level. • Senior leaders of the issuer may also be "executive officers" of a subsidiary, which could result in double-counting. As alternatives to the proposed disclosure requirement: • Two commenters preferred that the disclosure requirements be limited to a "major subsidiary" as the term is defined in National Instrument 55-104 *Insider Reporting Requirements and Exemptions*. • One commenter suggested providing issuers with the flexibility to decide whether or not to include subsidiary entities in their disclosure as, in some circumstances, disclosure on gender diversity in a particular operating subsidiary may be more meaningful than disclosure on the issuer/parent. • One commenter proposed eliminating the requirement to disclose the number and proportion of executive officers at subsidiary entities of the issuer, who are women.	issuer's most recent annual audited or interim statement of financial position, are 30 per cent or more of the consolidated assets of the issuer reported on that statement of financial position, or (b) the revenue of the subsidiary, as included in the issuer's most recent annual audited or interim statement of comprehensive income, is 30 per cent or more of the consolidated revenue of the issuer reported on that statement.
57.	Definition of executive officer	Six commenters were of the view that there should be a broader definition of the term "executive officer". Reasons cited for broadening the definition included that the disclosure would not be broad enough or meaningful enough to reflect the	We believe that it is important for there to be a consistent objective definition of "executive officer" for comparative purposes (both within an issuer year-over-year and across issuers). We do not believe that it is necessary to introduce an additional

No.	Topic	Summary of comments	Responses of Participating Jurisdictions
		existence and effectiveness of diversity programs in an organization or align with the policy intent of this disclosure requirement. Four such commenters were of the view that the definition of "executive officer" should be broadened to include members of senior management. Two commenters suggested allowing issuers the discretion to define "senior management" or the group in respect of whom disclosure is made.	definition to represent senior management in Form 58-101F1. Issuers are welcome to provide additional information about women in other leadership roles.
58.	Need for flexibility in reporting	Four commenters were of the view that disclosure requirements should be flexible enough to allow issuers to provide information that makes sense within their organization, such as on a consolidated basis.	We believe that the Rule Amendments provide issuers with the flexibility to provide information on a consolidated basis should they wish to do so.
H. Review of compliance with any new disclosure requirements after issuers have provided disclosure for three annual reporting periods			
59.	Support for review of compliance after issuers have provided this disclosure for three annual reporting periods	Thirteen commenters supported a review of compliance with the new disclosure requirements after issuers have provided this disclosure for three annual reporting periods. One such commenter was of the view that a review in three years be considered if there has been limited progress following the implementation of the disclosure requirements.	We acknowledge these comments of support. The Participating Jurisdictions have committed to conduct a review of compliance with the Rule Amendments after issuers have provided disclosure for three annual reporting periods. One of the key objectives of this review will be to assess the effectiveness of the disclosure requirements in achieving their intended purpose.

No.	Topic	Summary of comments	Responses of Participating Jurisdictions
		One such commenter expressed that it is important to monitor and report the progress towards gender diversity on boards and in senior executive positions in order to evaluate companies' responses to changing policy direction and overall policy effectiveness. One such commenter requested assurance that a review of the progress in increasing gender diversity on corporate boards and in senior management in three years be officially incorporated in the OSC work plan.	
60.	Support for a review of the effectiveness of the disclosure requirements on an annual basis	Five commenters suggested a review timeline that was distinct from the three year review recommended in OSC Report 58-402. Three commenters believed that an annual review would better facilitate further action in three years if adequate progress does not occur following the implementation of the disclosure requirements; whereas, one commenter favoured a review after five years. Still another commenter believed that, given the slow progress in improving board diversity, following an initial three year review, reviews should take place on an annual basis thereafter. Two of the commenters that supported annual reviews believed that it is important to conduct a review each year, similar to the annual review conducted in the UK following the Davies Report	We believe that a three year period is the appropriate interval after which to conduct a compliance review. A three year period will give issuers enough time to demonstrate year-over-year progress to their shareholders. In the ordinary course, we would publish a notice regarding the outcome of an issue-oriented review along with staff guidance in cases where we believe that information would be helpful to issuers and investors.

No.	Topic	Summary of comments	Responses of Participating Jurisdictions
		and similar to the two year review published in March 2013 in Australia. One commenter in favour of an annual review supported the idea of a compliance review along with the publishing of the results so that progress can be monitored.	
61.	Support for additional measures if progress insufficient following review	Ten commenters recommended consideration or implementation of additional measures if there has been insufficient progress following implementation of the disclosure requirements. One commenter believed that consideration of further measures, if a lack of progress is noted in the compliance reviews, could strengthen the overall proposal. One commenter was of the view that the final review must be fully defensible with a thorough evaluation process of what the company has done, and what it is going to do, before a decision is made to impose any sanctions. Examples of further measures mentioned by commenters include: • revisiting the "comply or explain" approach, • requiring that director term limits be implemented in order to stimulate board refreshment, • imposing quotas, • imposing sanctions,	We acknowledge these comments. Possible outcomes of the review may include: • changes in the disclosure made by the issuers in the review sample, either on a historical or prospective basis, • the publication of staff guidance on compliance with the disclosure requirements, and/or • recommendations for further amendments to NI 58-101 or other regulatory action.

No.	Topic	Summary of comments	Responses of Participating Jurisdictions
		• imposing or requiring the compulsory adoption of certain policies, • requiring compulsory adoption of certain objectives, • encouraging companies to conduct rigorous individual director evaluations and avoid automatic re-nomination of directors, and • mandating a best practice. One commenter expressed that "comply or explain" is at times insufficient and mandating a best practice may be required to reach the goal of widespread adoption. Two commenters were of the view that sanctions may be necessary to effect the required changes.	
I. Other comments			
62.	CSA harmonization	Two commenters suggested that it would be beneficial for regulators to work towards a harmonized framework that applied across Canada.	At this time, there are several CSA jurisdictions participating in this initiative. Under the proposed approach, all TSX-listed issuers would be subject to the same requirements across Canada.
63.	Appropriate method of disclosure	One commenter suggested consideration of the appropriate method of disclosure for each target audience, such as within the issuers' annual proxy circular, or in the annual report.	These disclosure requirements are governed by NI 58-101. Disclosure should be made in accordance with that rule in an issuer's management information circular or AIF, as the case may be.
64.	Creating opportunities for women	One commenter suggested that governments and businesses should encourage mentorship and sponsorship opportunities for women.	We note the federal government's consideration of ways to increase the representation of women on private and public boards as detailed in its report *Good for Business: A Plan to Promote More*

No.	Topic	Summary of comments	Responses of Participating Jurisdictions
			Women on Canadian Boards, which was released in June 2014.
65.	Comparison to the SEC's diversity disclosure requirements	One commenter drew parallels between the Proposed Amendments and the United States Securities and Exchange Commission's (**SEC**'s) board diversity disclosure amendments. However, the commenter pointed out that the SEC's initiative has had limited impact to date and compliance with the three year old disclosure enhancement has been relatively poor. The poor compliance, according to sources cited by the commenter, can be attributed to too much discretion and high ambiguity in the rules.	We believe that the Rule Amendments are notably distinct from those of the SEC. The Participating Jurisdictions have proposed to conduct an issue-oriented review following three reporting cycles. In addition, the CSA regularly undertakes reviews to ensure that rules and policies have their intended impact and effect.
66.	Additional measures	One commenter suggested that consideration be given to practices such as: • expanding indicators around statistical and or accompanying qualitative data regarding the representation of women in organizations, • leadership training and education, recognition and mentorship, and • corporate-wide efforts and organizational culture shifts to transcend a narrow focus of women's leadership promotion simply at board and executive levels.	Although the Rule Amendments do not specifically require such disclosure, issuers are welcome to disclose additional measures that they have undertaken if they think that the information will be helpful to investors.
67.	Regulatory burden and associated compliance costs	Three commenters were of the view that the imposition of new requirements on issuers raises concern about costs and regulatory burden. One commenter made reference to OSC research which suggests that few issuers currently have	We note that a requirement to adopt policies and procedures has not been mandated. In accordance with CSA Staff Notice 58-306 – *2010 Corporate Governance Disclosure Review*, the disclosure provided should be clear and meaningful and not standardized.

No.	Topic	Summary of comments	Responses of Participating Jurisdictions
		gender diversity policies. The commenter suggested that in order to help mitigate the costs that issuers may incur to draft and to adopt such policies, it may be advisable to provide flexible and scaled guidance about the content of typical policies and how issuers can cost effectively implement and monitor compliance with them. The commenter also suggested offering guidance to issuers about how they can provide concise and meaningful disclosure for the Proposed Amendments. Two commenters recommended an exemption for small TSX-listed companies with sales that are less than a certain amount.	
68.	Impact on shareholder rights and corporate democracy	Two commenters were concerned that the "comply or explain" approach could lead to intensified measures such as quotas or sanctions which would have a negative impact on corporate democracy. These commenters also expressed concern about balancing shareholder rights and corporate democracy with diversity objectives. One commenter noted that the board appointment process is impacted by stakeholders other than the nomination committee. One commenter suggested addressing the issue of increased proxy access by shareholders so that shareholders could bring forward diverse candidates if nominating committees failed to do so.	The Rule Amendments provide reporting issuers with the flexibility to determine which, if any, policies and procedures are most appropriate to their circumstances. The Rule Amendments are also intended to provide investors with the information needed to make informed investment and voting decisions. Issuers are at liberty to disclose further information relating to their nominating committees, if they think it will be relevant to investors.

No.	Topic	Summary of comments	Responses of Participating Jurisdictions
69.	Measure of success of the disclosure requirements	Two commenters offered comments regarding the measurement of success of the disclosure requirements. One commenter was of the view that the initiative would only be successful if the proportion of women on Canadian boards increases and it becomes commonly felt in the Canadian business community that the changes have made boards better. This commenter was also of the view that if issuers produced proxy boilerplate to comply with the requirement, the initiative would have failed.	The objectives of the Rule Amendments are to enhance transparency for investors and to promote more effective boards and better corporate decision-making. We agree that proxy boilerplate would not constitute compliance with the Rule Amendments and expect issuers to provide investors with meaningful information for making investment and voting decisions.
70.	Phased-in implementation	Seven commenters favoured and twenty commenters opposed a phased-in implementation of the disclosure requirements. Of the twenty commenters that preferred a single compliance date for all non-venture issuers, two commenters expressed that they did not think that the disclosure requirements were onerous enough in order to justify a delay. Three commenters noted that phased-in implementation was not required because issuers could address implementation delays by explaining them in accordance with the comply or explain model and one of these commenters expressed, in particular, that smaller non-venture issuers should not be discouraged from pursuing diversity objectives, as their efforts will help to build diversity of the overall pool of directors and	We acknowledge the views of commenters that support as well as those that oppose a phased-in implementation of these requirements. We agree with commenters who oppose a phased-in implementation as we believe this approach will be more straight-forward. We note that the Rule Amendments do not require issuers to implement any specific policies or procedures. Issuers have the option to indicate why they have not implemented policies or procedures and to indicate their future intentions.

No.	Topic	Summary of comments	Responses of Participating Jurisdictions
		executives. One commenter was of the view that within a "comply or explain" framework, smaller non-venture issuers who do not currently have a policy for board diversity can demonstrate progress by submitting a plan to become compliant. One commenter was of the view that a phase-in period would serve no purpose, except for issuers who are reluctant to comply. Of the seven commenters that supported phased-in implementation, three commenters were of the view that issuers would benefit from having some time to adjust to these new requirements, and therefore, they suggested that the Proposed Amendments should not be effective until at least one year after they are adopted. One commenter suggested a gradual phase-in of the Proposed Amendments, beginning, in the first year, with larger TSX 60 Index issuers; followed by the application to all TSX Composite Index issuers the following year. The commenter suggested that smaller venture issuers should be encouraged to comply but should not be required to do so just yet. Similarly, one commenter indicated that they would support a maximum of a one year delay in application to smaller non-venture issuers. This commenter believed that phasing-in the Proposed	

No.	Topic	Summary of comments	Responses of Participating Jurisdictions
		Amendments would give issuers time to implement mentorship programs to increase the interest of qualified women in pursuing board and executive positions. One commenter suggested that the "comply or explain" approach be enhanced to include a requirement for issuers to set and disclose targets and a timeline to achieve those targets regarding the representation of women on the board. The commenter was of the view that, since they were proposing an enhanced version of the disclosure requirements, it would be appropriate to phase-in this enhanced version gradually beginning with issuers in TSX 300 index, for the first year and applying to all non-venture reporting issuers the following year. One commenter suggested a two-phased approach. In a "comply or explain" regime, all non-venture issuers should be required to comply with the disclosure requirements immediately upon their effectiveness. The OSC should then facilitate a round-table of these issuers to discuss problems and provide best practices in resolving them. Based on the outcome of those discussions consideration should be given to requiring venture issuers to adopt the Proposed Amendments.	

No.	Topic	Summary of comments	Responses of Participating Jurisdictions
71.	Support for compliance by venture issuers	Three commenters were of the view that the disclosure requirements should apply to venture issuers in addition to non-venture issuers. One such commenter suggested encouraging smaller venture issuers to comply without making compliance mandatory at this point in time. One commenter did not believe that the recommendations would impose undue hardship or that the cost to venture issuers would outweigh the benefit to Canadian market participants.	We believe that it is appropriate to limit the disclosure requirements to non-venture issuers, at this time. Venture issuers are welcome to provide this information voluntarily.
72.	Application based on issuer market capitalization	Five commenters were of the view that the disclosure requirements should apply to all non-venture issuers and that there should not be a distinction based on market capitalization. One such commenter was of the view that the incremental effort for small non-venture issuers will be *de minimus* relative to current disclosure requirements. One such commenter was of the view that, since one of the reasons offered for under-representation of women on boards is the lack of suitable candidates, membership on boards of smaller issuers may be an effective pathway for women to move to the boards of larger firms.	We agree with these comments and note that we generally do not base the application of disclosure requirements on the basis of market capitalization.

No.	Topic	Summary of comments	Responses of Participating Jurisdictions
73.	Broader concept of diversity	Thirteen commenters suggested that the scope of the Proposed Amendments should be expanded from gender diversity to diversity more broadly; whereas, two commenters expressed that the requirements should be limited to gender diversity, at this time. Still another commenter did not express a position about whether the Proposed Amendments should address a broader concept of diversity but posed several questions. Frequently cited examples of other diversity factors that might be addressed included race, nationality, ethnicity, cultural background, aboriginal status, age and disability. Other factors that commenters mentioned included geographical background, sexual orientation, skills, experience, education, expertise, stakeholder perspectives and management capabilities. Of the commenters that supported a broader concept of diversity, four commenters disclosed that their board diversity policy included a wide range of criteria including gender, age, ethnicity and geographic background. One commenter who favoured disclosure regarding diversity more generally was of the view that if regulatory changes regarding increased board diversity are to achieve improved governance and board performance, then the disclosure requirements should look beyond gender diversity to include a wide range of attributes.	We acknowledge that there are many forms of diversity and believe that boards and senior management teams benefit from having a variety of views and perspectives. We believe that compliance with the Rule Amendments presents an opportunity for issuers to consider their approach to diversity more generally and may encourage issuers to voluntarily provide information about their policies and procedures to promote diversity more generally. In general, continuous disclosure requirements are implemented to provide investors with information to allow them to make informed investment and voting decisions. Accordingly, issuers are welcome to provide disclosure surrounding diversity in general if they think that information will be helpful to investors.

No.	Topic	Summary of comments	Responses of Participating Jurisdictions
		One such commenter suggested expanding the concept of diversity to include other aspects which also merit recognition in disclosure documents. One such commenter suggested that the focus should be having diversity as a whole on the board. One such commenter was of the view that the disclosure requirements should be considered a first step towards a broader diversity agenda. Two commenters expressed concern about whether the Proposed Amendments would ensure diversity amongst women recruited to leadership positions. One such commenter suggested an alternative of revising the Proposed Amendments to promote the appointments of a diverse group of women. This commenter also pointed out that other jurisdictions that have adopted a "comply or explain" model such as the United States, the United Kingdom and Australia do not entirely limit their requirements to gender such that Ontario would stand alone amongst these jurisdictions in their singular focus on gender. One commenter believed that there are many segments of Canadian society that can lay claim to under-representation on Canadian boards and that broader perspectives reflect Canadian demographic realities. On the other hand, of the two commenters that	

No.	Topic	Summary of comments	Responses of Participating Jurisdictions
		favoured addressing only gender diversity, one commenter expressed that a broader concept of diversity at this time would only serve to enable certain issuers to evade the rules around gender diversity. One commenter, in addition to asking why the disclosure requirements were limited to women only and asking whether consideration had been given to transgendered people and certain minorities, asked why not let shareholders decide and stated that is all about getting shareholder returns.	

Schedule E
Local Matters

On September 23, 2014, the OSC made the Rule Amendments.

The Rule Amendments and other required materials were delivered to the Ontario Minister of Finance on October 14, 2014. The Minister may approve or reject the Rule Amendments or return them for further consideration. If the Minister approves the Rule Amendments or does not take any further action by December 13, 2014, the Rule Amendments will come into force on December 31, 2014.

1.4 Notices from the Office of the Secretary

1.4.1 Eric Inspektor

FOR IMMEDIATE RELEASE
October 7, 2014

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

AND

IN THE MATTER OF
ERIC INSPEKTOR

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

1. the Respondent shall file a notice of motion by October 6, 2014;
2. the Respondent shall serve and file motion materials by October 15, 2014, including a description of the materials sought to be disclosed and the specific purpose for which an order pursuant to section 17 of the Act is sought;
3. Staff shall serve and file any responding materials on or before October 20, 2014 at noon;
4. the Section 17 Motion shall be heard on October 21, 2014 at 2:30 p.m.; and
5. this hearing is adjourned to November 3, 2014 at 10:00 a.m.

A copy of the Order dated September 17, 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

For investor inquiries:

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

1.4.2 The Gatekeepers of Wealth Inc. and Joseph Bochner

FOR IMMEDIATE RELEASE
October 10, 2014

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

AND

IN THE MATTER OF
THE GATEKEEPERS OF WEALTH INC.
and JOSEPH BOCHNER

TORONTO – The Commission issued an Order in the above named matter which provides that this matter is adjourned to a confidential pre-hearing conference which shall take place on December 8, 2014 at 10:00 a.m.

A copy of the Order dated October 8, 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

For investor inquiries:

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

1.4.3 Conrad M. Black et al.

FOR IMMEDIATE RELEASE
October 14, 2014

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

AND

IN THE MATTER OF
CONRAD M. BLACK, JOHN A. BOULTBEE
AND PETER Y. ATKINSON

TORONTO – The Commission issued an Order in the above named matter which provides that the following hearing days are vacated: October 14-17, 20, 22-24, 27, and 29-31, 2014.

Oral closing submissions are scheduled for October 28, 2014, commencing at 10:00 a.m., or on such other dates as may be ordered by the Commission.

A copy of the Order dated October 10, 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

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 GLV Inc.

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Multilateral Instrument 61-101 Protection of Minority Security Holders in Special Transactions – Issuer with dual class share structure – Both voting and subordinate shares are listed – Application for relief from requirement to obtain separate minority approval for each class of shares – Both classes of securities are freely tradable – No difference of interest between holders of Class A Shares and holders of Class B Shares in connection with the Proposed Transaction – Safeguards include independent committee, formal valuation, fairness opinions – Requiring a vote by class would give a "de facto" veto right to a very small group of shareholders.

Applicable Legislative Provisions

Multilateral Instrument 61-101 Protection of Minority Security Holders in Special Transactions.

TRANSLATION

September 25, 2014

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

AND

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

AND

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

DECISION

Background

The securities regulatory authority or regulator in each of the Jurisdictions (the "**Decision Maker**") has received an application from the Filer for a decision under the securities legislation of the Jurisdictions (the "**Legislation**") for an exemption from the requirement to obtain separate minority approval from each class of shares of the Filer, set out at paragraph 8.1(1) of *Regulation 61-101 respecting Protection of Minority Security Holders in Special Transactions* ("**Regulation 61-101**"), in respect of the Proposed Transaction (as defined below), which transaction constitutes a related-party transaction for purposes of Regulation 61-101 (the "**Exemption Sought**").

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

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

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

Interpretation

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

Representations

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

1. The Filer was incorporated under the *Canada Business Corporations Act* ("CBCA") on May 15, 2007 in connection with the transfer of the net assets and continuation of operations of the water treatment and pulp and paper groups of Groupe Laperrière & Verreault Inc.

2. The Filer's head office is located at 2001 McGill College Avenue, Suite 2100 in Montréal, Québec.

3. The Filer is a reporting issuer in all jurisdictions of Canada. The Filer is not in default of its obligations under the securities legislation in any of the jurisdictions of Canada. The Filer operates primarily in the water treatment and pulp and paper industries.

4. The authorized share capital of the Filer consists of an unlimited number of Class A subordinate voting shares, carrying one vote per share (the "**Class A Shares**"), an unlimited number of Class B multiple voting shares, carrying 10 votes per share (the "**Class B Shares**") and an unlimited number of preferred shares issuable in series.

5. The sole difference between the two classes of shares is that one confers 10 votes per share. The Class A Shares and the Class B Shares have always participated equally in the Filer's performance.

6. As at August 7, 2014, the Filer's outstanding share capital consisted of 41,912,594 Class A Shares (being 65.8% of all voting shares) and 2,179,305 Class B Shares (being 34.2% of all voting shares). The Class A Shares and the Class B Shares are listed for trading on the TSX.

7. Laurent Verreault holds directly and indirectly (through 3033548 Nova Scotia Company, a wholly-owned corporation held by the Laurent Verreault Trust), 815,600 Class A Shares and 1,680,240 Class B Shares, representing 1.9% of the Class A Shares outstanding and 77.1% of the Class B Shares outstanding.

8. Richard Verreault holds 917,900 Class A Shares and 17,000 Class B Shares representing 2.2% of the Class A Shares outstanding and 0.08% of the Class B Shares outstanding.

9. Together, Laurent and Richard Verreault (the "**Verreault Family**") have control of over 29.4% of the Filer's voting rights and are insiders and control persons of the Filer.

10. 9027173 Canada Inc. ("**AcquisitionCo**") was incorporated under the CBCA on September 22, 2014 and is owned by the Verreault Family. AcquisitionCo's head office is located at 1155 René-Lévesque West Boulevard, 40th Floor in Montréal, Québec.

11. The Filer and AcquisitionCo have entered into an agreement in connection with the sale of the assets that make up the Filer's pulp and paper division to AcquisitionCo for a consideration of approximately $65 million, a substantial portion of which shall be paid in cash (the "**Proposed Transaction**"). The material terms of the Proposed Transaction were publicly announced on September 24, 2014.

12. After the completion of the Proposed Transaction, the Filer will operate its water treatment division and will continue its activities as a reporting issuer.

13. The Proposed Transaction constitutes a "related-party" transaction within the meaning of Regulation 61-101 requiring, inter alia, the Issuer to obtain a formal valuation of the pulp and paper activities being sold and obtain minority approval for the transaction. Unless the Exemption Sought is granted, the minority approval shall be obtained from the holders of the Class A Shares and of the Class B Shares, in each case voting separately as a class, as provided for under paragraph 8.1(1) of Regulation 61-101.

14. The Proposed Transaction requires the approval of 66 2/3% of the votes of shareholders voting together as a single class pursuant to paragraph 189(3) and 189(7) of the CBCA, since the Filer has determined that the Class A Shares and Class B Shares are not affected by the Proposed Transaction in any different manner.

15. Holders of Filer's shares, other than those held by the Verreault Family (the "**Disinterested Shareholders**"), hold 40,179,094 Class A Shares representing 95.9% of the outstanding Class A Shares. The Disinterested Shareholders hold 482,065 Class B Shares representing 22.1% of the outstanding Class B Shares. The Disinterested Shareholders' voting rights represent in the aggregate 70.1% of the voting rights of the Filer.

16. Absent the granting of the Exemption Sought, the holders of 50% of the Class B Shares outstanding, or 241,033 Class B Shares, would have the possibility to veto the Proposed Transaction while representing a minimal minority position (only 0.5% of all the Filer's outstanding shares having a global economic value of $739,971 based on the closing price of $3.07 for Class B Shares on September 5, 2014, on a total of $6,690,466 for the Class B Shares and $143,3 million for all of the Filer's shares, based on the closing price of $3.25 for Class A Shares on September 5, 2014).

17. The Proposed Transaction does not terminate the interest of holders of Class A Shares and Class B Shares, nor does it affect the holders of Class A Shares and Class B Shares in any different manner.

18. The Proposed Transaction is subject to a number of safeguard measures ensuring that the interests of all shareholders are adequately protected, namely:

    (i) the creation of a special committee composed of three independent directors (the "**Independent Committee**") whose mandate is to review the terms and conditions of the Proposed Transaction. In order to properly fulfill its mandate, the Independent Committee has retained the services of independent legal and financial advisors. The Independent Committee unanimously recommended to the Filer's board of directors that the Proposed Transaction be approved;

    (ii) the holding of a special meeting of shareholders in order to consider and, if deemed advisable, approve the Proposed Transaction in accordance with section 5.3 of Regulation 61-101 (each Class A Share carrying one vote and each Class B Share carrying 10 votes);

    (iii) the approval of the Proposed Transaction by the majority of votes cast by the Disinterested Shareholders Shares voting together as a single class (each Class A Share carrying one vote and each Class B Share carrying 10 votes), in addition to the approval required pursuant to the CBCA referred to in paragraph 14 above;

    (iv) the preparation and delivery of an information circular (the "**Information Circular**") prepared in accordance with the applicable securities regulations in order to provide the necessary information allowing all shareholders to make an informed decision on the Proposed Transaction;

    (v) the preparation and delivery of a formal valuation prepared by the independent valuator selected by the Independent Committee to be included in the Information Circular;

    (vi) the preparation and delivery of fairness opinions concluding that the consideration to be received by the Filer is fair from a financial point of view to the Disinterested Shareholders, as prepared by the independent financial advisor retained by the Independent Committee and by the Filer's financial advisor, both of which will be included in the Information Circular;

    (vii) a right of dissent to the benefit of Disinterested Shareholders; and

    (viii) several protection measures have been negotiated by the Independent Committee and are included in the agreement referred to in paragraph 11, including a 45-day go shop period, a fiduciary out where a superior proposal would be received, and low break-up fees (between approximately 1.5% and 3% of the total consideration payable in the context of the Proposed Transaction);

    (together, the "**Safeguard Measures**").

19. Absent the granting of the Exemption Sought, a very small group of shareholders would in essence be in a position to veto the Proposed Transaction. This situation in effect corresponds to that envisaged by section 3.3 of Policy Statement to Regulation 61-101.

20. The Class A Shares and the Class B Shares have historically traded within a narrow price range, evidencing that the market essentially assigns a similar economic value to Class A Shares and Class B Shares.

21. The Filer will comply with all the requirements of Regulation 61-101, other than the requirement to hold a separate vote by class.

22. The Filer is of the view that the various Safeguard Measures ensure that the public interest is well protected.

23. The Filer is of the view that granting the requested relief will not be detrimental or otherwise affect the protection afforded to investors.

Decision

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

The decision of the Decision Makers under the Legislation is that the Exemption Sought is granted provided that all the Safeguard Measures (as defined in Paragraph 18 of the Decision) are implemented and remain in place as described herein.

"Gilles Leclerc"
Superintendent, Securities Markets

2.1.2 Lumina Copper Corp.

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – application for a decision that the issuer is not a reporting issuer under applicable securities laws – issuer in default of certain filing obligations as a reporting issuer under applicable securities laws – outstanding securities are beneficially owned, directly or indirectly by fewer than 15 securityholders in each jurisdiction and fewer than 51 securityholders worldwide – requested relief granted.

Applicable Legislative Provisions

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

October 6, 2014

IN THE MATTER OF
THE SECURITIES LEGISLATION OF
BRITISH COLUMBIA, ALBERTA, SASKATCHEWAN, MANITOBA,
ONTARIO, QUEBEC, NEW BRUNSWICK, NOVA SCOTIA,
PRINCE EDWARD ISLAND, NEWFOUNDLAND AND LABRADOR,
THE NORTHWEST TERRITORIES AND YUKON
(the Jurisdictions)

AND

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

AND

IN THE MATTER OF
LUMINA COPPER CORP.
(the Filer)

DECISION

Background

1 The securities regulatory authority or regulator in each of the Jurisdictions (the Decision Maker) has received an application from the Filer for a decision under the securities legislation of the Jurisdictions (the Legislation) that the Filer is not a reporting issuer in the Jurisdictions (the Exemptive Relief Sought).

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

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

(b) the decision is the decision of the principal regulator and evidences the decision of each other Decision Maker.

Interpretation

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

Representations

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

1. the Filer is a corporation existing under the laws of British Columbia; the Filer's head office is located at Suite 410 - 625 Howe Street, Vancouver, British Columbia, V6C 2T6;

2. the Filer is a reporting issuer in each of the Jurisdictions;

3. on August 19, 2014, First Quantum Minerals Ltd. (First Quantum), a corporation existing under the laws of British Columbia, acquired all of the issued and outstanding common shares of the Filer (the Filer Shares) it did not already hold by way of a court approved plan of arrangement (the Arrangement) under Section 288 of the *Business Corporations Act* (British Columbia); under the terms of the Arrangement, the Filer became a wholly owned subsidiary of First Quantum;

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

5. following completion of the Arrangement, the Filer Shares were delisted from the TSX Venture Exchange effective at the close of business on August 21, 2014;

6. no securities of the Filer, including debt securities, are traded 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 Filer is not in default of any of its obligations under the Legislation other than its obligation to file and deliver on or before August 29, 2014 its interim financial statements and related management's discussion and analysis for the interim period ended June 30, 2014 as required under National Instrument 51-102 *Continuous Disclosure Obligations*, and the related certification of financial statements as required under National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings*;

8. the Filer did not voluntarily surrender its status as a reporting issuer in British Columbia under British Columbia Instrument 11-502 *Voluntary Surrender of Reporting Issuer Status* because the Filer did not wish to wait the 10-day waiting period under the Instrument;

9. the Filer is not eligible to use the simplified procedure under CSA Notice 12-307 *Applications for a Decision that an Issuer is not a Reporting Issuer* because it is a reporting issuer in British Columbia and is in default of certain filing obligations under the Legislation described in paragraph 7; and

10. the Filer 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.

Decision

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

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

"Peter Brady"
Director, Corporate Finance
British Columbia Securities Commission

2.1.3 I.G. Investment Management, Ltd.

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – relief from certain specified derivatives and custodial requirements to permit mutual funds to enter into swap transactions that are cleared through a clearing corporation – relief required because of new U.S. requirements to clear over-the-counter derivatives including swaps – decision treats cleared swaps similar to other cleared derivatives – National Instrument 81-102 Investment Funds.

Applicable Legislative Provisions

National Instrument 81-102 Investment Funds, ss. 2.7(1), 6.8(1), 19.1.

October 7, 2014

IN THE MATTER OF
THE SECURITIES LEGISLATION OF
MANITOBA AND ONTARIO
(THE JURISDICTIONS)

AND

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

AND

IN THE MATTER OF
I.G. INVESTMENT MANAGEMENT, LTD.
(THE FILER)

DECISION

Background

The securities regulatory authority or regulator in each of the Jurisdictions (**Decision Maker**) has received an application from the Filer for a decision under the securities legislation of the Jurisdictions (the **Legislation**) for relief pursuant to Section 19.1 of National Instrument 81-102 *Investment Funds* (**NI 81-102**) exempting the Existing Funds (as defined below) and all current and future mutual funds managed by the Filer (together with the Existing Funds, each, an "**Investors Group Fund**" and collectively, the "**Investors Group Funds**") that enter into Cleared Swaps (as defined below) in the future from:

(i) the requirement in Subsection 2.7(1) of NI 81-102 that a mutual fund must not purchase an option or a debt-like security or enter into a swap or a forward contract unless, at the time of the transaction, the option, debt-like security, swap or contract has a designated rating or the equivalent debt of the counterparty, or of a person or company that has fully and unconditionally guaranteed the obligations of the counterparty in respect of the option, debt-like security, swap or contract, has a designated rating;

(ii) the limitation in Subsection 2.7(4) of NI 81-102 that the mark-to-market value of the exposure of a mutual fund under its specified derivatives positions with any one counterparty other than an acceptable clearing corporation or a clearing corporation that settles transactions made on a futures exchange listed in Appendix A to NI 81-102 shall not exceed, for a period of 30 days or more, 10 percent of the net asset value of the mutual fund; and

(iii) the requirement in Subsection 6.1(1) of NI 81-102 to hold all portfolio assets of a mutual fund under the custodianship of one custodian in order to permit each Investors Group Fund to deposit cash and other portfolio assets directly with a Futures Commission Merchant (as defined below) and indirectly with a Clearing Corporation (as defined below) as margin,

with respect to Cleared Swaps (the **Requested Relief**):

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

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

(b) the exemption is also sought in Ontario,

(c) the Filer has provided notice that Subsection 4.7(2) of Multilateral Instrument 11-102 *Passport System* (**MI 11-102**) is intended to be relied upon in British Columbia, Alberta, Saskatchewan, Quebec, New Brunswick, Nova Scotia, Prince Edward island, Newfoundland & Labrador, Yukon, Northwest Territories and Nunavut (together with Manitoba and Ontario, the **Jurisdictions**), and

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

Interpretation

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

"CFTC" means the U.S. Commodity Futures Trading Commission;

"Cleared Swaps" means the swaps that are, or will become, subject to a clearing determination issued by the CFTC, including fixed-to-floating interest rate swaps, basis swaps, forward rate agreements in U.S. dollars, the Euro, Pounds Sterling or the Japanese Yen, overnight index swaps in U.S. dollars, the Euro and Pounds Sterling and untranched credit default swaps on certain North American indices (CDX.NA.IG and CDX.NA.HY) and European indices (iTraxx Europe, iTraxx Europe Crossover and iTraxx Europe HiVol) at various tenors;

"Clearing Corporation" means any of the Chicago Mercantile Exchange Inc., ICE Clear Credit LLC, LCH.Clearnet Limited and any other clearing organization that is permitted to operate in the Jurisdiction where the Investors Group Fund is located;

"Dodd-Frank" means the Dodd-Frank Wall Street Reform and Consumer Protection Act;

"Existing Funds" means Investors Canadian High Yield Income Fund and/or IG Putnam U.S. High Yield Income Fund;

"Futures Commission Merchant" means any futures commission merchant that is registered with the CFTC and is a member of a Clearing Corporation;

"OTC" means over-the-counter;

"Portfolio Advisor" means each of the Filer or an affiliate of the Filer, and each third party sub-advisor retained from time to time by the Filer, or an affiliate of the Filer, to manage all or a portion of the investment portfolio of one or more Investors Group Funds; and

"U.S. Person" has the meaning attributed thereto by the CFTC.

Representations

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

1. The Filer is a corporation continued under the laws of Ontario and is registered under securities legislation as an advisor in the category of portfolio manager in Ontario, Manitoba and Québec, and as an investment fund manager in Manitoba, Ontario, Québec and Newfoundland & Labrador. The Filer is also registered as an advisor under *The Commodity Futures Act* of Manitoba. The Filer's head office is in Winnipeg, Manitoba.

2. The Filer or an affiliate of the Filer, is, or will be, the portfolio advisor of the Investors Group Funds. A third party sub-advisor may be appointed as sub-advisor to all or a portion of the investment portfolio of certain of the Investors Group Funds.

3. Each Investors Group Fund is, or will be:

   (a) a class of mutual fund shares issued by Investors Group Corporate Class Inc., a corporation established under and governed by the *Canada Business Corporations Act*; or

   (b) a mutual fund trust established under a declaration of trust under the laws of the Province of Manitoba.

4. Securities of the Investors Group Funds are qualified for distribution in the Jurisdictions pursuant to Simplified Prospectuses, Annual Information Forms and Fund Facts.

5. Neither the Filer nor the Investors Group Funds are in default of securities legislation in any Jurisdiction.

6. The investment objective and investment strategies of each Investors Group Fund permit, or will permit, the Investors Group Fund to enter into derivative transactions, including swaps, with Canadian, U.S. or other international counterparties, which are in compliance with the derivative provisions in NI 81-102. The Portfolio Advisor for the Existing Funds considers swaps to be an important investment tool that is available to it to properly manage the portfolio of the Existing Funds. Although the Existing Funds do not currently enter into Cleared Swaps, the Portfolio Advisor for the Existing Funds intends to put in place the arrangements required to permit the Existing Funds to enter into Cleared Swaps.

7. Dodd-Frank requires that certain OTC derivatives, including swaps, between certain categories of market participants be cleared through a Futures Commission Merchant at a clearing organization recognized by the CFTC. Generally, where one party to a swap is a U.S. Person and the other party to the swap is a mutual fund, such as an Investors Group Fund, that swap must be cleared, absent an available exception.

8. In order to benefit from both the pricing benefits and reduced trading costs that a Portfolio Advisor may be able to achieve through its trade execution practices for its advised investments funds and other accounts and from the reduced costs associated with cleared OTC derivatives as compared to other OTC trades, the Filer wishes to have the Investors Group Funds have the ability to enter into Cleared Swaps.

9. In the absence of the Requested Relief, each Portfolio Advisor will need to structure the swaps entered into by the Investors Group Funds so as to avoid the clearing requirements of the CFTC. The Filer respectfully submits that this would not be in the best interests of the Investors Group Funds and their investors for a number of reasons as set out herein.

10. The Filer strongly believes that it is in the best interests of the Investors Group Funds and their investors to be able to execute OTC derivatives, including Cleared Swaps, with U.S. Persons (including U.S. swap dealers) to mitigate the legal, operational and back office risks faced by investors in the global swap markets.

11. A Portfolio Advisor may use the same trade execution practices for all of its advised investment funds and other accounts, including the Investors Group Funds. An example of these trade execution practices is block trading, where large number of securities are purchased or sold or large derivative trades are entered into on behalf of a number of investment funds and other accounts advised by one Portfolio Advisor. These practices include the use of Cleared Swaps if such trades are executed with a U.S. swap dealer. If the Investors Group Funds are unable to employ these trade execution practices, then each affected Portfolio Advisor will have to create separate trade execution practices only for the Investors Group Funds and will have to execute trades for the Investors Group Funds on a separate basis. This will increase the operational risk for the Investors Group Funds, as separate execution procedures will need to be established and followed only for the Investors Group Funds. In addition, the Investors Group Funds will not be able to enjoy the possible price benefits and reduction in trading costs that a Portfolio Advisor may be able to achieve through a common practice for its advised funds and other accounts. In the Filer's opinion, best execution and maximum certainty can best be achieved through common trade execution practices, which, in the case of OTC derivatives, involve the execution of Cleared Swaps.

12. As a member of the G20 and a participant in the September 2009 commitment of G20 nations to improve transparency and mitigate risk in derivatives markets, Canada has expressly recognized the systemic benefits that clearing OTC derivatives offers to market participants, such as the Investors Group Funds. The Filer respectfully submits that the Investors Group Funds should be encouraged to comply with the robust clearing requirements established by the CFTC by granting them the Requested Relief.

13. The Requested Relief is analogous to the treatment currently afforded under NI 81-102 to other types of derivatives that are cleared, such as clearing corporation options, options on futures and standardized futures. This demonstrates that, from a policy perspective, the Requested Relief is consistent with the views of the Canadian securities authorities in respect of cleared derivative trades.

14. For the reasons provided above, the Filer submits that it would not be prejudicial to the public interest to grant the Requested Relief.

Decision

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

The decision of the Decision Makers under the Legislation is that the Requested Relief is granted provided that, in respect of the deposit of cash and portfolio assets as margin:

(a) in Canada,

(i) the Futures Commission Merchant is a member of a SRO that is a participating member of CIPF; and

(ii) the amount of margin deposited and maintained with the Futures Commission Merchant does not, when aggregated with the amount of margin already held by the Futures Commission Merchant, exceed 10 percent of the net asset value of the Investors Group Fund as at the time of deposit; and

(b) outside of Canada,

(i) the Futures Commission Merchant is a member of a Clearing Corporation and, as a result, is subject to a regulatory audit;

(ii) the Futures Commission Merchant has a net worth, determined from its most recent audited financial statements that have been made public or from other publicly available financial information, in excess of the equivalent of $50 million; and

(iii) the amount of margin deposited and maintained with the Futures Commission Merchant does not, when aggregated with the amount of margin already held by the Futures Commission Merchant, exceed 10 percent of the net asset value of the Investors Group Fund as at the time of deposit.

This decision will terminate on the earlier of (i) the coming into force of any revisions to the provisions of NI 81-102 that address the clearing of OTC derivatives, and (ii) two years from the date of this decision.

“Chris Besko”
Acting Director
Manitoba Securities Commission

2.1.4 CIBC Asset Management Inc. et al.

Headnote

National Policy 11-203 – Process for Exemptive Relief Applications in Multiple Jurisdictions – Related issuer relief conditional on IRC approval, compliance with independent pricing and transparency requirements – Investment restrictions for primary offerings.

Applicable Legislative Provisions

Securities Act (Ontario), ss. 111(2)(a), 111(2)(c)(i), 111(2)(c)(ii), 111(3), 113.
National Instrument 31-103 Registration Requirements and Exemptions, ss. 13.5(2)(a), 15.1.

September 23, 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
CIBC ASSET MANAGEMENT INC.,
RBC GLOBAL ASSET MANAGEMENT INC.,
BMO INVESTMENTS INC.,
1832 ASSET MANAGEMENT L.P.

AND

TD ASSET MANAGEMENT INC.
(collectively, the Filers)

AND

IN THE MATTER OF
THE FUNDS
(as defined below)

DECISION

Background

The principal regulator in the Jurisdiction has received an application from the Filers, on behalf of each Filer, and any affiliate of a Filer, which acts as the manager and/or portfolio manager for each existing mutual fund or future mutual fund to which National Instrument 81-102 *Mutual Funds* (**NI 81-102**) applies or will apply (each an **NI 81-102 Fund**, or collectively, the **NI 81-102 Funds**) and each existing mutual fund or future mutual fund to which NI 81-102 does not apply (each a **Pooled Fund**, or collectively, the **Pooled Funds**), for a decision under the securities legislation of the Jurisdiction of the Principal Regulator (the **Legislation**):

1. exempting the Fund (as defined below) from the requirements (**Related Securityholder Requirements**) of the securities legislation that prohibit an investment fund from making an investment, or holding an investment, in:

   (a) any person or company who is a substantial securityholder of an investment fund, its management company or distribution company (each a **Related Securityholder**), or

(b) an issuer in which any officer or director of an investment fund, its management company or distribution company or an associate of any of them, or a Related Securityholder (each, a **Related Person**), has a significant interest;

(the **Requested Related Securityholder Relief**);

2. exempting the registered adviser from the requirements (the **Related Issuer Requirements**) in the securities legislation that prohibit a registered adviser of an investment portfolio, including an investment portfolio of an investment fund, from causing the investment portfolio managed by it to invest in any issuer in which a responsible person or an associate of a responsible person is a partner, officer or director, unless the specific fact is disclosed to the client and the written consent of the client to the investment is obtained;

(the **Requested Related Issuer Relief**);

to enable the Funds (as defined below) to invest in non-exchange-traded debt securities of Related Issuers in a Primary Offering and in the secondary market having a "designated rating" within the meaning of that term in NI 44-101, and to enable the Pooled Funds to invest in exchange-traded securities of Related Issuers in the secondary market, in conjunction with the replacement of the Original Decisions which included such exchange-traded security relief.

3. revoking the **Original Decisions** (as defined below), insofar as the Original Decisions pertain to prior relief granted to the Filers, including their relevant affiliated and predecessor entities, and the Funds (as defined below), from the Related Securityholder Requirements and Related Issuer Requirements (the **Revocation Relief**)

The proposed transactions outlined in 1 and 2 above are referred to in this decision as the **Related Issuer Transactions**.

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

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

(b) the Filers have provided notice that section 4.7(1) of Multilateral Instrument 11-102 *Passport System* (**MI 11-102**) is intended to be relied on in Alberta, British Columbia, Saskatchewan, Manitoba, Québec, Nova Scotia, New Brunswick, Newfoundland and Labrador, Prince Edward Island, Yukon Territory, Northwest Territories and Nunavut Territory (the **Non-Principal Jurisdictions** and collectively with the Principal Jurisdiction, the **Jurisdictions**).

Interpretation

Terms defined in the Legislation, MI 11-102, National Instrument 14-101 *Definitions*, NI 81-102 and National Instrument 81-107 *Independent Review Committee for Investment Funds* (**NI 81-107**) have the same meaning if used in this decision, unless otherwise defined.

In addition, in this decision the following terms have the following meanings:

Fund means a Pooled Fund and/or NI 81-102 Fund, or collectively, the **Funds**;

NI 44-101 means National Instrument 44-101 *Short Form Prospectus Distribution*;

Primary Offering means a primary distribution or treasury offering of non-exchange- traded debt securities of a Related Issuer;

Related Bank means CIBC, RBC, BMO, BNS or TD (each as defined below), as the case may be, related to the relevant Filer;

Related Issuer means a Related Securityholder, a Related Person or an issuer of the type described under the Requested Related Issuer Relief (as defined above) and includes a Related Bank; and

Related Funds includes one or more other Funds under common management with the relevant Fund.

FACTS

A. The Filers

1. CIBC Asset Management Inc.is a company amalgamated under the laws of Canada, wholly-owned by Canadian Imperial Bank of Commerce (**CIBC**) and with its head office in Toronto, Ontario.

2. RBC Global Asset Management Inc. is a company organized under the laws of Canada, wholly-owned by Royal Bank of Canada (**RBC**) and with its head office in Toronto, Ontario.

3. BMO Investments Inc. is a company organized under the laws of Canada, wholly-owned by Bank of Montreal (**BMO**) and with its head office in Toronto, Ontario.

4. 1832 Asset Management L.P. is an Ontario limited partnership, wholly-owned by The Bank of Nova Scotia (**BNS**) and with its head office in Toronto, Ontario.

5. TD Asset Management Inc. is a company amalgamated under the laws of Ontario, wholly-owned by The Toronto-Dominion Bank (**TD**) and with its head office in Toronto, Ontario.

6. Each of the Filers is registered as an investment fund manager and a portfolio manager in the Principal Jurisdiction and may be registered in one or more other Non-Principal Jurisdictions. A Filer may also be registered in other categories of registration.

B. The Funds

7. Each of the NI 81-102 Funds and the Pooled Funds is, or will be, a mutual fund established under the laws of Ontario or the laws of one of the other Non-Principal Jurisdictions.

8. The securities of each of the NI 81-102 Funds are, or will be, qualified for distribution pursuant to prospectuses and annual information forms that have been, or will be, prepared and filed in accordance with the securities legislation of each of the Jurisdictions. The NI 81-102 Funds will include conventional mutual funds subject to NI 81-102 and exchange-traded funds that meet the definition of 'mutual fund' in securities legislation and are subject to NI 81-102.

9. Each of the NI 81-102 Funds is, or will be, a reporting issuer in the Principal Jurisdiction and one or more of the Non-Principal Jurisdictions.

10. The securities of each of the Pooled Funds are, or will be, distributed on a private placement basis pursuant to available prospectus exemptions in the Jurisdictions. The Pooled Funds are not, or will not be, reporting issuers.

11. A Filer, or an affiliate of a Filer, is, or will be, the manager and/or portfolio manager of each of the Funds.

12. None of the Filers or the Funds are in default of securities legislation.

C. Substantial Securityholders, Significant Issuers and Common Officers/Directors

13. Each Related Bank is a substantial securityholder of its related Filer that acts as the manager of a Fund or Funds.

14. A director, officer or employee of a Filer that acts as the portfolio manager of a Fund, or an associate of a director, officer or employee of a Filer that acts as a portfolio manager of a Fund, may also be a director or officer of a Related Issuer of the Filer.

D. The Independent Review Committees of the Funds

15. Each NI 81-102 Fund has, or will have, an independent review committee (an IRC) in accordance with the requirements of NI 81-107. The mandate of the IRC of each NI 81-102 Fund will include approving Related Issuer Transactions involving an NI 81-102 Fund. The IRC of an NI 81-102 Fund will not approve a Related Issuer Transaction subject to its mandate unless the IRC has made the determination set out in subsection 5.2(2) of NI 81-107 and the manager and the IRC of the NI 81-102 Fund, as applicable, will comply with section 5.4 of NI 81-107 in respect of any standing instructions the IRC provides in connection with the Related Issuer Transaction.

16 Though the Pooled Funds are not, or will not be, subject to the requirements of NI 81-107, each Pooled Fund has, or will have, an IRC at the time the Pooled Fund conducts a Related Issuer Transaction. All existing Pooled Funds have

already established an IRC in order to comply with the conditions of previously granted exemptive relief. The mandate of the IRC of each Pooled Fund will include approving Related Issuer Transactions involving a Pooled Fund.

17. The IRC of a Pooled Fund will be composed in accordance with section 3.7 of NI 81-107 and will comply with the standard of care set out in section 3.9 of NI 81-107. The IRC of a Pooled Fund will not approve a Related Issuer Transaction subject to its mandate unless the IRC has made the determination set out in subsection 5.2(2) of NI 81-107.

18. If the IRC of a Fund becomes aware of an instance where the Filer or an affiliate of the Filer, as manager of the Fund, did not comply with the terms of this decision or a condition imposed by securities legislation or the IRC in its approval, the IRC of the Fund will, as soon as practicable, notify in writing the securities regulatory authority or regulator in the jurisdiction under which the Fund is organized.

E. Investment in Securities of Related Issuers

19. The Related Issuers are or may be significant issuers of investment grade quality fixed income securities in the debt market. The Filers consider that it would be in the best interest of the Funds to have access, on the terms and conditions described herein, to non-exchange-traded debt securities of the Related Issuers with a "designated rating" by a "designated rating organization" within the meaning of those terms in NI 44-101, for the reasons set out below:

    (a) there is a limited supply of debt securities issued by an issuer other than the federal or a provincial government which have a "designated rating" by a "designated rating organization" within the meaning of those terms in NI 81-102;

    (b) diversification is reduced to the extent that a Fund is limited with respect to investment opportunities; and

    (c) investing in debt securities of Related Issuers is a fundamentally distinct investment and cannot simply be replicated by investing in other securities of similarly situated issuers. A Fund may be prejudiced if it cannot purchase, in either a Primary Offering or the secondary market, non-exchange-traded debt securities of a Related Issuer that are consistent with the Fund's objective.

20. Section 6.2 of NI 81-107 provides the NI 81-102 Funds with an exemption from Related Securityholder Requirements and the Related Issuer Requirements in respect of purchasing exchange-traded securities, such as common shares, in the secondary market. It does not permit an NI 81-102 Fund, or the Filer on behalf of an NI 81-102 Fund, to purchase non-exchange-traded securities issued by Related Issuers.

21. NI 81-107 does not apply to the Pooled Funds as they are not reporting issuers. Accordingly, it does not permit the Pooled Funds to purchase exchange-traded securities such as common shares of Related Issuers in the secondary market, or non-exchange-traded securities issued by Related Issuers.

22. The Filers and the Funds (as defined, including the Pooled Funds) previously received relief in the Original Decisions from the Related Issuer Requirements and Related Securityholder Requirements which allow them to make and hold an investment in non-exchange trade debt securities of one or more Related Issuers provided such debt securities have a "designated rating" within the meaning of that term in NI 81-102.

23. The Revocation Relief, the Requested Related Issuer Relief and the Requested Related Securityholder Relief will enable the Funds to invest in non-exchange-traded debt securities of Related Issuers in a Primary Offering and in the secondary market having a "designated rating" within the meaning of that term in NI 44-101.

24. Most of the Filers and the Pooled Funds previously received relief in the Original Decisions from the Related Issuer Requirements and Related Securityholder Requirements which allow them to purchase, in the secondary market, and hold an investment in exchange-traded securities of a Related Issuer. BMO Investments Inc. and the Pooled Funds it, or its affiliates, manage and/or advise, however, did not obtain relief previously to allow its Pooled Funds to purchase, in the secondary market, and hold an investment in exchange-traded securities of a Related Issuer.

25. The Revocation Relief, Requested Related Issuer Relief and the Requested Related Securityholder Relief will enable the Pooled Funds to invest in exchange-traded securities of Related Issuers in the secondary market, in conjunction with the replacement of the Original Decisions which included such exchange-traded security relief.

26. The debt securities of Related Issuers that are purchased by a Fund in a Primary Offering pursuant to the Requested Related Securityholder Relief and Requested Related Issuer Relief will be non-exchange-traded debt securities, other than asset backed commercial paper securities, with a term to maturity of 365 days or more, that have been given and continue to have, at the time of purchase, a "designated rating" by a "designated rating organization" within the

meaning of those terms in NI 44-101, and will be purchased in a Primary Offering where the terms, such as the size and the pricing, will be a matter of public record as evidenced in a prospectus, offering memorandum, press release or other public document.

27. Each non-exchange-traded debt security of a Related Issuer purchased by a Fund in the secondary market pursuant to the Requested Related Securityholder Relief and Requested Related Issuer Relief, will have been given, and continue to have, at the time of purchase, a "designated rating" by a "designated rating organization" within the meaning of those terms in NI 44-101.

28. Each exchange-traded security of a Related Issuer purchased by a Pooled Fund in the secondary market pursuant to the Requested Related Securityholder Relief and Requested Related Issuer Relief, will be purchased on an exchange where the securities are listed.

29. Each Related Issuer Transaction conducted by a Fund will represent the business judgement of 'responsible persons' uninfluenced by considerations other than the best interests of the Funds.

Original Decisions

30. Subject to the terms and conditions described therein, the Filers, including certain of their affiliates and predecessor entities, obtained orders on the dates set forth below (the **Original Decisions**), which permit, among other things, a Fund, as a result of a Related Issuer Transaction, to make and hold an investment in non-exchange-traded debt securities of one or more Related Issuers in a Primary Offering or the secondary market. The dates of the orders are:

    (a) NI 81-102 Funds – May 22, 2008, December 23, 2008, and October 29, 2013; and

    (b) Pooled Funds – April 28, 2008, July 2, 2009, September 2, 2009, and October 29, 2013.

31. As of the date of this decision, the Original Decisions will no longer be relied upon by the Filers or the Funds in respect of the Related Issuer Transactions.

Decision

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

The Revocation Relief is granted.

The decision of the principal regulator under the Legislation is that the Requested Related Securityholder Relief and the Requested Related Issuer Relief are granted:

1. to permit a Fund to make and hold an investment in non-exchange-traded debt securities of a Related Issuer in the secondary market on the following conditions:

    (a) the purchase or holding is consistent with, or is necessary to meet, the investment objective of the Fund;

    (b) at the time of the purchase, the IRC of the Fund has approved the transaction on behalf of the Fund in accordance with subsection 5.2(2) of NI 81-107;

    (c) the manager of the Fund complies with section 5.1 of NI 81-107 and the manager and the IRC of the Fund comply with section 5.4 of NI 81-107 for any standing instructions the IRC provides in connection with the investment;

    (d) the security has been given and continues, at the time of the purchase, to have a "designated rating" by a "designated rating organization" within the meaning of those terms in NI 44-101;

    (e) the price payable for the security is not more than the ask price of the security;

    (f) the ask price of the security is determined as follows:

        (i) if the purchase occurs on a marketplace, the price payable is determined in accordance with the requirements of that marketplace; or

(ii) if the purchase does not occur on a marketplace,

(A) the Fund may pay the price for the security at which an independent, arm's-length seller is willing to sell the security; or

(B) if the Fund does not purchase the security from an independent arm's-length seller, the Fund must pay the price quoted publicly by an independent marketplace or obtain, immediately before the purchase, at least one quote from an independent, arm's-length purchaser or seller and not pay more than that quote;

(g) the transaction complies with any applicable "market integrity requirements" as defined in NI 81-107; and

(h) no later than the time the Fund files its annual financial statements, and no later than the 90th day after each financial year-end, the Filer, or an affiliate of the Filer, as manager of the Fund, files with the securities regulatory authority or regulator the particulars of any such investments;

2. to permit a Fund to make and hold an investment in non-exchange-traded debt securities of a Related Issuer in a Primary Offering on the following conditions:

(a) the purchase or holding is consistent with, or is necessary to meet, the investment objective of the Fund;

(b) at the time of the purchase, the IRC of the Fund has approved the investment in accordance with subsection 5.2(2) of NI 81-107;

(c) the manager of the Fund complies with section 5.1 of NI 81-107 and the manager and the IRC of the Fund comply with section 5.4 of NI 81-107 for any standing instructions the IRC provides in connection with the investment;

(d) the security has been given and continues, at the time of the purchase, to have a "designated rating" by a "designated rating organization" within the meaning of those terms in NI 44-101;

(e) the size of the Primary Offering is at least $100 million;

(f) at least two purchasers who are independent, arm's-length purchasers, which may include "independent underwriters" within the meaning of National Instrument 33-105 Underwriting Conflicts, collectively purchase at least 20% of the Primary Offering;

(g) no Fund shall participate in the Primary Offering if following its purchase the Fund would have more than 5% of its net assets invested in non-exchange-traded debt securities of a Related Issuer;

(h) no Fund shall participate in the Primary Offering if following its purchase the Fund together with Related Funds will hold more than 20% of the securities issued in the Primary Offering;

(i) the price paid for the securities by a Fund in the Primary Offering shall be no higher than the lowest price paid by any of the arm's-length purchasers who participate in the Primary Offering; and

(j) no later than the time the Fund files its annual financial statements, and no later than the 90th day after each financial year-end, the Filer, or an affiliate of the Filer, as manager of the Fund, files with the securities regulatory authority or regulator the particulars of any such investments;

3. to permit a Pooled Fund to make and hold an investment in exchange-traded securities of a Related Issuer listed and traded on an exchange on the following conditions:

(a) the purchase is made on an exchange where the securities are listed and traded;

(b) the purchase or holding is consistent with, or is necessary to meet, the investment objective of the Pooled Fund;

(c) at the time of the purchase, the IRC of the Pooled Fund has approved the transaction on behalf of the Pooled Fund in accordance with subsection 5.2(2) of NI 81-107;

(d) the manager of the Pooled Fund complies with section 5.1 of NI 81-107 and the manager and the IRC of the Pooled Fund comply with section 5.4 of NI 81-107 for any standing instructions the IRC provides in connection with the investment;

(e) the transaction complies with any applicable "market integrity requirements" as defined in NI 81-107; and

(f) no later than the time the Pooled Fund files its annual financial statements, and no later than the 90th day after each financial year-end, the Filer, or an affiliate of the Filer, as manager of the Pooled Fund, files with the securities regulatory authority or regulator the particulars of any such investments.

The Revocation Relief and the Requested Related Issuer Relief

"Raymond Chan"
Manager, Investment Funds Branch
Ontario Securities Commission

The Revocation Relief and the Requested Related Securityholder Relief

"Catherine E. Bateman"
Commissioner
Ontario Securities Commission

"Vern Krishna"
Commissioner
Ontario Securities Commission

2.1.5 CIBC Asset Management Inc. et al.

Headnote

National Policy 11-203 – Process for Exemptive Relief Applications in Multiple Jurisdictions – Related issuer relief conditional on IRC approval, compliance with independent pricing and transparency requirements – Investment restrictions for primary offerings.

Applicable Legislative Provisions

National Instrument 81-102 Mutual Funds, ss. 4.1(2), 19.1.

September 22, 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
CIBC ASSET MANAGEMENT INC.,
RBC GLOBAL ASSET MANAGEMENT INC.,
BMO INVESTMENTS INC.,
1832 ASSET MANAGEMENT L.P.

AND

TD ASSET MANAGEMENT INC.
(collectively, the Filers)

AND

IN THE MATTER OF
THE FUNDS
(as defined below)

DECISION

Background

The principal regulator in the Jurisdiction has received an application from the Filers, on behalf of each Filer and any affiliate of a Filer which acts as the manager and/or portfolio manager for a Fund or Funds (as defined below), for a decision under the securities legislation of the Jurisdiction of the Principal Regulator (the **Legislation**):

A. exempting the Funds from the requirements of subsection 4.1(2) of NI 81-102 (the **Related Issuer Requirements**) that prohibit a dealer managed investment fund from knowingly making an investment in a class of securities of an issuer (**Related Issuer**), of which:

   (a) a partner, director, officer or employee of the dealer manager of the investment fund, or

   (b) a partner, director, officer or employee of an affiliate or associate of the dealer manager of the investment fund,

   is a partner, director or officer, unless the partner, director, officer or employee:

(i) does not participate in the formulation of investment decisions made on behalf of the dealer managed investment fund;

(ii) does not have access before implementation to information concerning investment decisions made on behalf of the dealer managed investment fund; and

(iii) does not influence, other than through research, statistical and other reports generally available to clients, the investment decisions made on behalf of the dealer managed investment fund;

(the above is collectively, the **Exemption Sought**),

to enable the Funds to invest in non-exchange-traded debt securities of Related Issuers in a Primary Offering and in the secondary market having a "designated rating" within the meaning of that term in NI 44-101.

The proposed transactions outlined in A. above are referred to in this decision as the **Related Issuer Transactions**.

B. revoking the Original Decisions (as defined below) as they pertain to relief granted to the Filers, including their relevant affiliated and predecessor entities and the Funds in respect of the Related Issuer Transactions (the **Revocation Relief**).

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

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

(b) the Filers have provided notice that section 4.7(1) of Multilateral Instrument 11-102 *Passport System* (**MI 11-102**) is intended to be relied on in Alberta, British Columbia, Saskatchewan, Manitoba, Québec, Nova Scotia, New Brunswick, Newfoundland and Labrador, Prince Edward Island, Yukon Territory, Northwest Territories and Nunavut Territory (the **Non-Principal Jurisdictions** and collectively with the Principal Jurisdiction, the **Jurisdictions**).

Interpretation

Terms defined in the Legislation, MI 11-102, National Instrument 14-101 *Definitions*, NI 81-102 and National Instrument 81-107 *Independent Review Committee for Investment Funds* (**NI 81-107**) have the same meaning if used in this decision, unless otherwise defined.

In addition, in this decision, the following terms have the following meanings:

Fund means an existing or future mutual fund of which the Filer, or an affiliate of the Filer, is the manager and/or portfolio manager and to which NI 81-102 and NI 81-107 apply or will apply or, collectively the **Funds**;

NI 44-101 means National Instrument 44-101 *Short Form Prospectus Distribution*;

Pooled Fund means an existing mutual fund or future mutual fund that is not a reporting issuer, to which NI 81-102 does not apply, the securities of which are, or will be, distributed on a private placement basis pursuant to available prospectus exemptions in the Jurisdictions, of which the Filer, or an affiliate of the Filer, is the manager and/or portfolio manager (collectively, the Pooled Funds)

Primary Offering means a primary distribution or treasury offering of non-exchange- traded debt securities of a Related Issuer.

Related Bank means CIBC, RBC, BMO, BNS or TD (each as defined below), as the case may be, related to the relevant Filer;

Related Issuer has the meaning set out in A above, and includes a Related Bank; and

Related Funds and **Related Pooled Funds** includes one or more other Funds and one or more Pooled Fund, in each case, under common management with the relevant Fund.

FACTS

A. The Filers

1. CIBC Asset Management Inc. is a company amalgamated under the laws of Canada, wholly-owned by Canadian Imperial Bank of Commerce (**CIBC**) and with its head office in Toronto, Ontario.

2. RBC Global Asset Management Inc. is a company organized under the laws of Canada, wholly-owned by Royal Bank of Canada (**RBC**) and with its head office in Toronto, Ontario.

3. BMO Investments Inc. is a company organized under the laws of Canada, wholly-owned by Bank of Montreal (**BMO**) and with its head office in Toronto, Ontario.

4. 1832 Asset Management L.P. is an Ontario limited partnership, wholly-owned by The Bank of Nova Scotia (**BNS**) and with its head office in Toronto, Ontario.

5. TD Asset Management Inc. is a company amalgamated under the laws of Ontario, wholly-owned by The Toronto-Dominion Bank (**TD**) and with its head office in Toronto, Ontario.

6. Each of the Filers is registered as an investment fund manager and a portfolio manager in the Principal Jurisdiction and may be registered in one or more other Non-Principal Jurisdictions. A Filer may also be registered in other categories of registration.

B. The Funds

7. Each of the Funds is or will be a mutual fund established under the laws of Ontario or the laws of one of the other Non-Principal Jurisdictions.

8. The securities of each of the Funds are, or will be, qualified for distribution pursuant to s prospectuses and annual information forms that have been, or will be, prepared and filed in accordance with the securities legislation of each of the Jurisdictions. The Funds will include conventional mutual funds subject to NI 81-102 and exchange-traded funds that meet the definition of 'mutual fund' in securities legislation and are subject to NI 81-102.

9. Each of the Funds is, or will be, a reporting issuer in the Principal Jurisdiction and one or more of the Non-Principal Jurisdictions.

10. Each Fund is or will be a “dealer managed investment fund” within the meaning set out in NI 81-102.

11. Each Filer, or affiliate of a Filer, in its capacity as manager of the Funds, has established or will establish an independent review committee (**IRC**) in respect of each Fund in accordance with the requirements of NI 81-107.

12. None of the Filers or the Funds are in default of securities legislation.

C. The Relief Sought

13. A director, officer or employee of a Filer that acts as the portfolio manager of a Fund, or a director, officer or employee of an associate or an affiliate of a Filer that acts as the portfolio manager of a Fund, may also be a director or officer of a Related Issuer of the Filer.

14. Section 6.2(2) of NI 81-107 provides an exemption from the investment fund conflict of interest investment restrictions for purchases of securities of Related Issuers provided the purchase is made on an exchange. It does not provide an exemption from the Related Issuer Requirements in subsection 4.1(2) of NI 81-102 for purchases of exchange-traded securities of a Related Issuer in the secondary market, or for purchases of non-exchange- traded securities of a Related Issuer in either a Primary Offering or in the secondary market.

15. The Funds and the Filers previously received relief from the Related Issuer Requirements by way of decisions dated May 15, 2008, January 6, 2009, two orders on October 30, 2009 and April 5, 2011 (the **Original Decisions**).

16. The Original Decisions allow the Funds to make investments in non-exchange traded debt securities of one or more Related Issuers in a Primary Offering and in the secondary market provided the debt securities (the **Related Issuer Debt Securities**) have a “designated rating” within the meaning of that term in NI 81-102. The Original Decisions also allow the Funds to make investments in exchange-traded securities of Related Issuers provided such purchases are made on an exchange and in the secondary market.

17. The Exemption Sought and the Revocation Relief will enable the Funds to invest in non-exchange-traded debt securities of Related Issuers in a Primary Offering and in the secondary market having a "designated rating" within the meaning of that term in NI 44-101. Certain of the non-exchange-traded debt securities issued by Related Issuers no longer have a "designated rating" as defined in NI 81-102. In respect of exchange-traded securities, the Exemption Sought and Revocation Relief will enable the Funds to continue investing in exchange-traded securities of a Related Issuer, in conjunction with the replacement of the Original Decisions which included such relief.

18. The debt securities of Related Issuers that are purchased by a Fund in a Primary Offering pursuant to the Exemption Sought will be non-exchange-traded debt securities, other than asset backed commercial paper securities, with a term to maturity of 365 days or more, that have been given and continue to have, at the time of purchase, a "designated rating" by a "designated rating organization" within the meaning of those terms in NI 44-101 and will be purchased in a Primary Offering where the terms, such as the size and the pricing, will be a matter of public record as evidenced in a prospectus, offering memorandum, press release or other public document.

19. Each non-exchange-traded debt security of a Related Issuer purchased by a Fund in the secondary market pursuant to the Exemption Sought, has been given and will continue to have, at the time of purchase, a "designated rating" by a "designated rating organization" within the meaning of those terms in NI 44-101.

20. The Related Issuers are or may be significant issuers of investment grade quality fixed income securities in the debt market. The Filers consider that it would be in the best interest of the Funds to have access, on the terms and conditions described herein, to non-exchange-traded debt securities of the Related Issuers with a "designated rating" by a "designated rating organization" within the meaning of those terms in NI 44-101, for the reasons set out below:

    (a) there is a limited supply of debt securities issued by an issuer other than the federal or a provincial government which have a "designated rating" by a "designated rating organization" within the meaning of those terms in NI 81-102; and

    (b) diversification is reduced to the extent that a Fund is limited with respect to investment opportunities; and

    (c) investing in debt securities of Related Issuers is a fundamentally distinct investment and cannot simply be replicated by investing in other securities of similarly situated issuers that are unrelated to the Funds. A Fund may be prejudiced if it cannot purchase, in either a Primary Offering or the secondary market, non-exchange-traded debt securities of a Related Issuer that are consistent with the Fund's investment objectives.

21. If the IRC of a Fund becomes aware of an instance where a Filer or an affiliate of a Filer, in its capacity as manager of the Fund, did not comply with the terms of this decision, or a condition imposed by securities legislation or the IRC in its approval, the IRC of the Fund will, as soon as practicable, notify in writing the securities regulatory authority or regulator in the jurisdiction under which the Fund is organized.

22. Each Related Issuer Transaction conducted by a Fund will represent the business judgment of the applicable Filer, uninfluenced by considerations other than the best interests of the Funds.

23. As of the date of this decision, the Original Decisions will no longer be relied upon by the Filers or the Funds in respect of the Related Issuer Transactions.

Decision

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

The Revocation Relief is granted.

The decision of the principal regulator is that the Exemption Sought is granted on behalf of the Funds provided that:

1. at the time of each investment, the purchase is consistent with, or is necessary to meet, the investment objective of the Fund;

2. at the time of the purchase, the IRC of the Fund has approved the transaction on behalf of the Fund in accordance with the terms of subsection 5.2(2) of NI 81-107;

3. the manager of the Fund complies with Section 5.1 of NI 81-107 and the manager and the IRC of the Fund comply with Section 5.4 of NI 81-107 for any standing instructions the IRC provides in connection with the transactions;

4. if the purchase is made in a Primary Offering:

   (a) the size of the Primary Offering is at least $100 million;

   (b) at least two purchasers who are independent and at arm's-length, which may include an "independent underwriter" (within the meaning of National Instrument 33-105 – Underwriting Conflicts) purchase collectively at least 20% of the Primary Offering;

   (c) no Fund shall participate in the Primary Offering, if following its purchase, the Fund would have more than 5% of its net assets invested in non-exchange-traded debt securities of the Related Issuer;

   (d) no Fund shall participate in the Primary Offering, if following its purchase, the Fund, together with Related Funds and Related Pooled Funds will hold more than 20% of the securities issued under the Primary Offering;

   (e) the price paid for the non-exchange-traded debt securities by the Fund in the Primary Offering shall be no higher than the lowest price paid by any of the arm's-length purchasers who participate in the Primary Offering; and

   (f) the non-exchange-traded debt security has been given and continues, at the time of the purchase, to have a "designated rating" by a "designated rating organization" within the meaning of those terms in NI 44-101;

5. if the purchase occurs in the secondary market:

   (a) if the security is an exchange-traded security, the purchase is made on an exchange on which the securities of the issuer are listed and traded;

   (b) if the security is not an exchange-traded security,

      (i) the price payable for the security is not more than the ask price of the security;

      (ii) the ask price of the security is determined as follows:

         (A) if the purchase occurs on a marketplace, the price payable is determined in accordance with the requirements of that marketplace; or

         (B) if the purchase does not occur on a marketplace:

            (i) the Fund may pay the price for the security, at which an independent, arm's-length seller is willing to sell the security, or

            (ii) if the Fund does not purchase the security from an independent, arm's-length seller, the Fund must pay the price quoted publicly by an independent marketplace or obtain, immediately before the purchase, at least one quote from an independent, arm's-length purchaser or seller and not pay more than that quote; and,

   (c) the security has been given and continues, at the time of the purchase, to have a "designated rating" by a "designated rating organization" within the meaning of those terms in NI 44-101; and

   (d) the transaction complies with any applicable "market integrity requirements" as defined in NI 81-107; and

6. on or before the 90th day after the end of each financial year of the Fund, the manager of the Fund files with the securities regulatory authority or regulator the particulars of any such investments.

"Raymond Chan"
Manager, Investment Funds Branch
Ontario Securities Commission

2.1.6 BLF Real Estate Investment Trust

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).

TRANSLATION

October 1, 2014

IN THE MATTER OF
THE SECURITIES LEGISLATION OF
BRITISH COLUMBIA, ALBERTA, SASKATCHEWAN,
MANITOBA, ONTARIO, QUÉBEC, NEW BRUNSWICK,
NOVA SCOTIA, PRINCE EDWARD ISLAND
AND NEWFOUNDLAND AND LABRADOR
(the "Jurisdictions")

AND

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

AND

IN THE MATTER OF
BLF REAL ESTATE INVESTMENT TRUST
(the "Filer")

DECISION

Background

The securities regulatory authority or regulator in each of the Jurisdictions (the "**Decision Maker**") has received an application from the Filer for a decision under the securities legislation of the Jurisdictions (the "**Legislation**") that the Filer is not a reporting issuer in the Jurisdictions (the "**Exemptive Relief Sought**").

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

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

(b) the decision is the decision of the principal regulator and evidences the decision of each other Decision Maker.

Interpretation

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

Representations

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

1. The Filer is an open-ended real estate investment trust formed under the laws of the Province of Québec.

2. The registered and head office of the Filer is located at 7250 Taschereau Boulevard, Suite 200, Brossard, Québec.

3. The Filer is a reporting issuer in each of the Jurisdictions.

4. Prior to the Offer, as defined below, the issued and outstanding securities of the Filer consisted of 2,825,359 trust units (the "**Units**") and 503,540 Special Voting Units attached to 503,540 Class B Limited Partnership Units of BLF Limited Partnership.

5. On June 2, 2014, the Filer, 8881723 Canada Inc. (the "**Offeror'**), Cogir Apartments Limited Partnership and Fonds immobilier FTQ II, s.e.c. entered into a support agreement pursuant to which the Offeror agreed, subject to its terms and conditions, to purchase all of the issued and outstanding Units of the Filer, other than Units held directly and indirectly by the Offeror or any of its affiliates or joint actors. The offer was filed on June 13, 2014 and was subsequently extended to August 1st, 2014 (the "**Offer**").

6. All 503,540 outstanding Class B Limited Partnership Units of BLF Limited Partnership were exchanged for 503,540 Units. Accordingly, other than the Units, the Filer has no other securities issued and outstanding.

7. On July 23, 2014, the Offeror acquired 1,760,720 Units.

8. On August 4, 2014, the Offeror acquired an additional 110,794 Units which represented, together with the 3,125,851 Units owned by the Offeror, its affiliates or joint actors, approximately 97.23% of the outstanding Units (and approximately 95.3% excluding the Units held by the Offeror, its affiliates or joint actors on the date of the Offer).

9. On August 6, 2014, the Offeror sent a notice of compulsory acquisition under the contract of trust of the Filer to each holder of Units who had not accepted the Offer (the "**Compulsory Acquisition**").

10. On August 11, 2014, the Units were delisted from the TSX Venture Exchange at the close of business.

11. On August 18, 2014, the Offeror delivered to Computershare Investor Services Inc. funds to pay for the untendered Units.

12. On September 8, 2014, the Offeror acquired the remaining 92,254 Units through a compulsory acquisition.

13. The only holders of Units of the Filer are the Offeror, its affiliates and joint actors.

14. The outstanding securities of the Filer, including debt securities, are beneficially owned, directly or indirectly, by fewer than 15 security holders in each of the jurisdictions of Canada and fewer than 51 security holders in total worldwide.

15. The Filer has no current intention to seek public financing by way of an offering of securities in any jurisdiction in Canada.

16. No securities of the Filer, including debt securities, are traded in Canada or another country or market place 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.

17. The Filer is in default of its obligations as a reporting issuer under the Legislation to file its financial statements and management discussion and analysis in respect of such statements for the interim period ended June 30, 2014 (the "interim documents"), as required under *Regulation 51-102 respecting Continuous Disclosure Obligations* and the related certificates of such interim documents as required under *Regulation 52-109 respecting Certification of Disclosure in Issuers' Annual and Interim Filings*. The Filer has not prepared the interim documents because, at the filing deadline of the interim documents, the Offeror held more than 90% of the outstanding Units.

18. The Filer has not surrendered its status as a reporting issuer in British Columbia pursuant to British Columbia Instrument 11-502 *Voluntary Surrender of Reporting Issuer Status* in order to avoid the ten day waiting period under that Instrument.

19. The Filer is not eligible to use the simplified procedure under CSA Staff Notice 12-307 – *Applications for a Decision that an Issuer is not a Reporting Issuer* because it is in default of its obligation under the legislation as a reporting issuer and because it is a reporting issuer in British Columbia.

20. Upon the granting of the Exemptive Relief Sought, the Filer will not be a reporting issuer in any jurisdiction in Canada.

Decision

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

The decision of the Decision Maker under the Legislation is that the Exemptive Relief Sought is granted.

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

2.1.7 Active Control Technology Inc. – 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).

October 9, 2014

Active Control Technology Inc.
3200 Ridgeway Drive, Unit 17
Mississauga, Ontario L5L 5Y6

Dear Sirs/Mesdames:

Re: Active Control Technology Inc. (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.

"Shannon O'Hearn"
Manager, Corporate Finance
Ontario Securities Commission

2.1.8 Tuscany International Drilling Inc.

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – issuer has ceased to be a reporting issuer under securities legislation.

Applicable Legislative Provisions

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

Citation: Re Tuscany International Drilling Inc., 2014 ABASC 396

October 7, 2014

IN THE MATTER OF
THE SECURITIES LEGISLATION OF
ALBERTA, BRITISH COLUMBIA, SASKATCHEWAN, MANITOBA, ONTARIO, QUÉBEC, NEW BRUNSWICK, NOVA SCOTIA, PRINCE EDWARD ISLAND AND NEWFOUNDLAND AND LABRADOR
(the Jurisdictions)

AND

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

AND

IN THE MATTER OF
TUSCANY INTERNATIONAL DRILLING INC.
(the Filer)

DECISION

Background

The securities regulatory authority or regulator in each of the Jurisdictions (the **Decision Maker**) has received an application from the Filer for a decision (the **Exemptive Relief Sought**) under the securities legislation of the Jurisdictions (the **Legislation**) that the Filer be deemed to have ceased to be a reporting issuer and that the Filer's status as a reporting issuer is revoked.

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

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

(b) this decision is the decision of the principal regulator and evidences the decision of each other Decision Maker.

Interpretation

Terms defined in National Instrument 14-101 *Definitions* or National Instrument 51-102 *Continuous Disclosure Obligations* have the same meaning if used in this decision, unless otherwise defined herein.

Representations

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

1. The Filer is a corporation existing under the *Business Corporations Act* (Alberta).

2. The head office of the Filer is in Calgary, Alberta.

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

4. On February 2, 2014, the Filer and Tuscany International Holdings (U.S.A.) Ltd., a subsidiary of the Filer, commenced proceedings under Chapter 11 of the United States Bankruptcy Code (**US Code**) in the United States Bankruptcy Court for the District of Delaware to implement a restructuring of the Filer's debt obligations and capital structure through a plan of reorganization under the US Code (the **Plan**).

5. The common shares of the Filer (**Common Shares**) were delisted from the Toronto Stock Exchange at the close of trading on March 12, 2014, and no securities, including debt securities, of the Filer 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.

6. On May 21, 2014, the Plan was confirmed by order (the **Confirmation Order**) of the United States Bankruptcy Court for the District of Delaware.

7. On May 22, 2014, the Confirmation Order was recognized and given full effect in Canada by order of the Court of Queen's Bench of Alberta, Judicial District of Calgary.

8. Pursuant to the Plan, all of the outstanding Common Shares were exchanged for redeemable shares of the Filer (**Redeemable Shares**) and a new class of common shares (**New Common Shares**) of the Filer was created.

9. The Redeemable Shares were redeemed on July 25, 2014.

10. Only one New Common Share is currently outstanding, and it is held by the administrator of the Plan.

11. The Filer 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.

12. The Filer is not in default of securities legislation in any jurisdiction, except for its failure to file an AIF in respect of the year ended December 31, 2013, and its failure to file interim financial statements, interim management's discussion and analysis and related certifications for the six months ended June 30, 2014 (collectively, the **Filings**).

13. The Filer has no current intention to seek public financing by way of an offering of securities in Canada.

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

15. The Filer is subject to cease trade orders in connection with the Filings in each of British Columbia, Alberta, Manitoba, Ontario and Québec (the **Cease Trade Orders**).

16. The Filer has applied for and expects to be granted, concurrently with this decision, full revocation of the Cease Trade Orders.

Decision

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

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

"Denise Weeres"
Manager, Legal
Corporate Finance

2.2 Orders

2.2.1 Eric Inspektor

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

AND

IN THE MATTER OF
ERIC INSPEKTOR

ORDER

WHEREAS on March 28, 2014, 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 ("Staff") on March 28, 2014, to consider whether it is in the public interest to make certain orders against Eric Inspektor (the "Respondent");

AND WHEREAS the Notice of Hearing set a hearing in this matter for April 15, 2014 at 10:00 a.m.;

AND WHEREAS on April 8, 2014, the hearing was rescheduled by the Commission to commence on April 30, 2014 at 10:00 a.m.;

AND WHEREAS on April 30, 2014, Staff submitted *inter alia* that its disclosure to the Respondent would be substantially completed before the end of May 2014;

AND WHEREAS on April 30, 2014, the Commission ordered that the hearing be adjourned to June 18, 2014;

AND WHEREAS on June 18, 2014, Staff confirmed that disclosure to the Respondent was substantially complete, and counsel to the Respondent submitted that she would require some time to review Staff's disclosure and address any issues arising from such disclosure;

AND WHEREAS on June 20, 2014, the Commission ordered that the hearing be adjourned to September 17, 2014;

AND WHEREAS on September 2, 2014, counsel for the Respondent, Crawley Mackewn Brush LLP ("CMB"), filed a notice of motion, pursuant to Rule 1.7.4 of the Commission's *Rules of Procedure* (2014), 37 O.S.C.B. 4168, for leave to withdraw as representative for the Respondent and requesting that the motion be heard in writing (the "Withdrawal Motion");

AND WHEREAS the affidavit filed by CMB states that the Respondent intends to represent himself;

AND WHEREAS on September 15, 2014, the Commission ordered that the Withdrawal Motion be heard in writing and granted CMB leave to withdraw as representative for the Respondent;

AND WHEREAS on September 17, 2014, Staff and the Respondent appeared and made submissions before the Commission;

AND WHEREAS the Respondent advised that he is seeking an order pursuant to section 17 of the Act authorizing disclosure of certain documents which the Respondent received from Staff in pursuant to Staff's disclosure obligations (the "Section 17 Motion");

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

IT IS ORDERED that:

1. the Respondent shall file a notice of motion by October 6, 2014;

2. the Respondent shall serve and file motion materials by October 15, 2014, including a description of the materials sought to be disclosed and the specific purpose for which an order pursuant to section 17 of the Act is sought;

3. Staff shall serve and file any responding materials on or before October 20, 2014 at noon;

4. the Section 17 Motion shall be heard on October 21, 2014 at 2:30 p.m.; and

5. this hearing is adjourned to November 3, 2014 at 10:00 a.m.;

DATED at Toronto, this 17th day of September, 2014.

"Mary Condon"

2.2.2 The Gatekeepers of Wealth Inc. and Joseph Bochner – s. 127

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

AND

IN THE MATTER OF
THE GATEKEEPERS OF WEALTH INC.
and JOSEPH BOCHNER

ORDER
(Section 127)

WHEREAS on September 3, 2014, 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 September 3, 2014 with respect to The Gatekeepers of Wealth Inc. and Joseph Bochner (collectively, the "Respondents");

AND WHEREAS the Notice of Hearing set a hearing in this matter for October 8, 2014;

AND WHEREAS on October 8, 2014, Staff and counsel for the Respondents appeared before the Commission and made submissions;

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

IT IS ORDERED that this matter is adjourned to a confidential pre-hearing conference which shall take place on December 8, 2014 at 10:00 a.m.

DATED at Toronto this 8th day of October, 2014.

"Mary Condon"

2.2.3 360 Trading Networks Inc. et al. – s. 144

Headnote

Application for a variation order extending the interim order for each Swap Execution Facility ("SEF") so that each order will expire on the 180th day following the date on which the SEF is granted permanent registration by the United States Commodity Futures Trading Commission – requested order granted.

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., s. 144.

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

AND

IN THE MATTER OF
360 TRADING NETWORKS INC. (360T),
BGC DERIVATIVES MARKETS, L.P. (BGCDM),
BLOOMBERG SEF LLC (BSEF),
GFI SWAPS EXCHANGE LLC (GFI),
ICAP GLOBAL DERIVATIVES LIMITED (IGDL),
ICAP SEF (US) LLC (ICAP US),
ICE SWAP TRADE LLC (ICE Swap),
JAVELIN SEF, LLC (Javelin),
LATAM SEF, LLC (LatAm),
MARKETAXESS SEF CORPORATION (MarketAxess),
SWAPEX, LLC (SwapEx),
TERAEXCHANGE LLC (Tera),
THOMSON REUTERS (SEF) LLC (TR SEF),
TPSEF INC. (tpSEF),
TRADITION SEF INC. (Tradition),

AND

TW SEF LLC (TW SEF)

VARIATION TO INTERIM ORDERS
(Section 144 of the Act)

WHEREAS each of 360T, BGCDM, BSEF, GFI, IGDL, ICAP US, ICE Swap, Javelin, LatAm, MarketAxess, SwapEx, Tera, TR SEF, tpSEF, Tradition and TW SEF (each an **Exempted SEF**) operates a swap execution facility (**SEF**) in the United States pursuant to temporary registration granted by the United States Commodity Futures Trading Commission (**CFTC**);

AND WHEREAS each Exempted SEF has participants or intends to have participants located in Ontario;

AND WHEREAS a SEF allowing access to Ontario participants is considered by the Ontario Securities Commission (**Commission**) to be carrying on business as an exchange in Ontario;

AND WHEREAS the Commission has issued interim orders pursuant to section 147 of the Act exempting each Exempted SEF from the requirement to be recognized as an exchange under section 21(1) of the Act (each an **Interim Order**);

AND WHEREAS each Interim Order will terminate on the earlier of (i) one year from the date of the Interim Order and (ii) the effective date of a subsequent order (**Subsequent Order**) recognizing the Exempted SEF as an exchange under section 21(1) of the Act or exempting it from the requirement to be recognized as an exchange under section 147 of the Act (**Termination Date**);

AND WHEREAS each Exempted SEF has made an application for a Subsequent Order but may not be granted permanent registration by the CFTC by the Termination Date;

AND WHEREAS the Commission has determined that it is not prejudicial to the public interest to vary the Interim Orders to extend the Exempted SEFs' interim exemption from the requirement to be recognized as an exchange pursuant to section 21(1) of the Act;

IT IS ORDERED, pursuant to section 144 of the Act, that

1. The Interim Orders for each of 360T, BGCDM, BSEF, GFI, ICAP US, ICE Swap, Javelin, Tera, TR SEF, tpSEF, Tradition and TW SEF are varied by replacing the reference to "October 2, 2014" with "the 180th day following the date on which the Applicant is granted permanent registration as a SEF by the CFTC";

2. The Interim Order for SwapEx is varied by replacing the reference to "October 29, 2014" with "the 180th day following the date on which the Applicant is granted permanent registration as a SEF by the CFTC";

3. The Interim Order for MarketAxess is varied by replacing the reference to "November 20, 2014" with "the 180th day following the date on which the Applicant is granted permanent registration as a SEF by the CFTC";

4. The Interim Order for LatAm is varied by replacing the reference to "December 10, 2014" with "the 180th day following the date on which the Applicant is granted permanent registration as a SEF by the CFTC"; and

5. The Interim Order for IGDL is varied by replacing the reference to "May 13, 2015" with "the 180th day following the date on which the Applicant is granted permanent registration as a SEF by the CFTC".

DATED this 30th day of September, 2014.

"Anne Marie Ryan"

"Monica Kowal"

2.2.4 Tuscany International Drilling Inc. – s. 144

Headnote

Section 144 – Application for revocation of cease trade order – issuer subject to cease trade order as a result of failure to file financial statements – issuer has made a separate application to not be a reporting issuer in all of the jurisdictions in which it is currently a reporting issuer – full revocation granted effective as of the date the issuer is determined to not be a reporting issuer.

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 127, 144.

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

AND

IN THE MATTER OF
TUSCANY INTERNATIONAL DRILLING INC.

ORDER
(Section 144 of the Act)

WHEREAS the securities of Tuscany International Drilling Inc. (the "**Applicant**") are subject to a cease trade order dated September 26, 2014 issued by the Director of the Ontario Securities Commission (the "**Commission**") pursuant to paragraph 2 and paragraph 2.1 of subsection 127(1) of the Act (the "**Ontario Cease Trade Order**") directing that trading in securities of the Applicant cease until further order by the Director;

AND WHEREAS the Ontario Cease Trade Order was made on the basis that the Applicant was in default of certain filing requirements under Ontario securities law as described in the Ontario Cease Trade Order;

AND WHEREAS additional cease trade orders were issued by the Alberta Securities Commission on September 9, 2014 (the "**Alberta Cease Trade Order**"), by the British Columbia Securities Commission on September 11, 2014 (the "**BC Cease Trade Order**"), by The Manitoba Securities Commission on September 11, 2014 (the "**Manitoba Cease Trade Order**") and by the Autorité des marchés financiers on September 11 and September 26, 2014 (the "**AMF Cease Trade Order**");

AND WHEREAS the Applicant has applied to the Commission pursuant to section 144 of the Act for a full revocation of the Ontario Cease Trade Order (the "**Application**");

AND WHEREAS the Applicant has represented to the Commission that:

1. The Applicant was incorporated under the *Business Corporations Act* (Alberta). Its head office is located at 1950, 140 – 4th Avenue S.W., Calgary, Alberta, T2P 3N3.

2. The Applicant's authorized share capital consists of an unlimited number of New Common Shares and an unlimited number of Redeemable Shares. As of the date hereof, there are: (i) 1 New Common Share; and (ii) no preference shares outstanding. The Applicant has no other securities, including debt securities, issued and outstanding.

3. The Applicant is a reporting issuer in British Columbia, Alberta, Saskatchewan, Manitoba, Ontario, Québec, New Brunswick, Nova Scotia, Newfoundland and Labrador and Prince Edward Island (the "**Reporting Jurisdictions**").

4. The Applicant's common shares are not currently listed or quoted on any exchange or market in Canada or elsewhere. The Applicant's common shares were formerly listed on the Toronto Stock Exchange (the "**TSX**").

5. The Applicant's common shares were delisted from the TSX effective at the close of market on March 12, 2014. The delisting and transfer was imposed due to the failure by the Applicant to meet the continued listing requirements of the TSX.

6. The Ontario Cease Trade Order was issued on September 15, 2014 due to the Applicant's failure to file its interim unaudited financial statements and interim management's discussion and analysis and certificates required to be filed under National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings* ("**NI 52-109**") for the interim period ended June 30, 2014.

7. The Applicant has concurrently applied for revocations of the Alberta Cease Trade Order, the BC Cease Trade Order, the Manitoba Cease Trade Order and the AMF Cease Trade Order.

8. On September 16, 2014, the Applicant applied to the securities regulatory authority or regulator in each of the Reporting Jurisdictions for a decision under the securities legislation of such jurisdiction that the Applicant is not a reporting issuer under such securities legislation (the "**Reporting Issuer Exemptive Relief Sought**").

9. If the Reporting Issuer Exemptive Relief Sought is granted, the Applicant will no longer be a reporting issuer in any jurisdiction in Canada.

10. The Applicant has paid all outstanding participation fees and filing fees owing to the Commission.

11. The Applicant is not considering, nor is it involved in any discussion relating to, a reverse take-over,

amalgamation, merger or other form of combination or transaction similar to the foregoing.

12. The Applicant has not previously been the subject of a cease trade order other than those referred to in this Order.

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

AND WHEREAS the Director is satisfied that to do so would not be prejudicial to the public interest to revoke the Ontario Cease Trade Order;

IT IS ORDERED, pursuant to section 144 of the Act, that the Ontario Cease Trade Order is fully revoked as of the date on which the Applicant ceases to be a reporting issuer under the Act.

DATED at Toronto on this 7th day of October, 2014.

"Sonny Randhawa"
Manager, Corporate Finance
Ontario Securities Commission

2.2.5 Conrad M. Black et al.

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

AND

IN THE MATTER OF
CONRAD M. BLACK, JOHN A. BOULTBEE AND PETER Y. ATKINSON

ORDER

WHEREAS on March 18, 2005 the Ontario Securities Commission (the "**Commission**") issued a Notice of Hearing (the "**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 (the "**Original Proceeding**") filed by Staff of the Commission ("**Staff**") with respect to Hollinger Inc., Conrad M. Black ("**Black**"), F. David Radler ("**Radler**"), John A. Boultbee ("**Boultbee**") and Peter Y. Atkinson ("**Atkinson**") (collectively, the "**Original Respondents**");

AND WHEREAS the Commission held a contested hearing on October 11 and November 16, 2005, to determine the appropriate date for a hearing on the merits of the Original Proceeding;

AND WHEREAS on January 24, 2006, the Commission issued its Reasons and Order setting down the matter for a hearing on the merits commencing June 2007, subject to each of the individual Original Respondents agreeing to execute an undertaking to the Commission to abide by interim terms of a protective nature within 30 days of that decision;

AND WHEREAS following the Reasons and Order dated January 24, 2006, each of the individual Original Respondents provided an undertaking in a form satisfactory to the Commission;

AND WHEREAS on March 30, 2006, the Commission issued an Order with attached undertakings provided by the individual Original Respondents and ordered, among other things, that the hearing on the merits commence on Friday, June 1, 2007, or as soon thereafter as may be fixed by the Secretary to the Commission and agreed to by the parties;

AND WHEREAS the individual Original Respondents further provided to the Commission amended undertakings, in a form satisfactory to the Commission, stating that each of the Original Respondents agreed to abide by interim terms of a protective nature (the "**Amended Undertakings**"), pending the Commission's final decision regarding liability and sanctions in the proceeding commenced by the Notice of Hearing;

AND WHEREAS on April 4, 2007, the Commission issued an Order which attached the Amended Undertakings, and ordered that the hearing on the merits be scheduled to commence on November 12 through to December 14, 2007, and January 7 to February 15, 2008 or such other dates as may be fixed by the Secretary to the Commission and agreed to by the parties;

AND WHEREAS Black and Boultbee brought motions and requests to adjourn the Original Proceeding pending the outcome of a criminal proceeding in the United States and Staff consented to the adjournment requests;

AND WHEREAS on September 11, 2007, the Commission issued an Order which adjourned the hearing on the merits of this matter and scheduled a hearing on December 11, 2007 for the purpose of addressing the scheduling of the Original Proceeding;

AND WHEREAS Black and Boultbee brought a series of additional motions and requests to adjourn the Original Proceeding, pending the outcome of criminal proceedings in the United States, and Staff consented to the adjournment requests;

AND WHEREAS the Commission issued orders on December 10, 2007, January 7, March 27, and September 25, 2008, February 12, May 20 and July 9, 2009, which granted Black and Boultbee's motions and adjourned the hearing of the matter;

AND WHEREAS by Order dated October 7, 2009, the Commission adjourned the hearing *sine die*, pending the release of a decision of the United States Supreme Court, in relation to an appeal brought by Boultbee, or until such further order as may be made by the Commission;

AND WHEREAS on November 12, 2012, Staff filed a new Statement of Allegations against Radler alone;

AND WHEREAS on November 13, 2012, Radler provided a new undertaking to the Commission;

AND WHEREAS on November 14, 2012, the Commission approved a settlement agreement reached between Staff and Radler and approved an Order resolving the new proceeding against Radler and releasing Radler from the Amended Undertakings;

AND WHEREAS on November 15, 2013, Staff withdrew its allegations in the Original Proceeding with respect to Radler;

AND WHEREAS on July 12, 2013, Staff withdrew its allegations in the Original Proceeding with respect to Hollinger;

AND WHEREAS on July 12, 2013, the Commission issued a new Notice of Hearing pursuant to sections 127 and 127.1 of the Act in relation to an Amended Statement of Allegations filed by Staff with respect to Black, Boultbee and Atkinson (together, the "**Respondents**");

AND WHEREAS the new Notice of Hearing stated that a hearing before the Commission would be held on August 16, 2013;

AND WHEREAS on August 16, 2013, the Commission heard submissions from counsel for Staff, counsel for Black, and from Atkinson and Boultbee on their own behalf;

AND WHEREAS on August 16, 2013, Staff requested that the matter be adjourned to a pre-hearing conference and the Respondents consented to this request;

AND WHEREAS on August 16, 2013, the Commission ordered that the matter be adjourned to a confidential pre-hearing conference to be held on Monday, October 21, 2013;

AND WHEREAS on September 23, 2013, the Commission approved a settlement agreement reached between Staff and Atkinson and approved an Order releasing Atkinson from the Amended Undertakings and requiring Atkinson to comply with a new undertaking;

AND WHEREAS counsel for Black filed a signed consent of all parties to reschedule the confidential pre-hearing conference of October 21, 2013 to October 23, 2013;

AND WHEREAS a confidential pre-hearing conference was held on October 23, 2013 and the Commission heard submissions from counsel for Staff, counsel for Black, and from Boultbee on his own behalf;

AND WHEREAS on November 26, 2013, Black filed a Notice of Motion in which he sought an Order staying the proceeding before the Commission against him or, in the alternative, directions regarding the scope of the issues to be determined;

AND WHEREAS all parties agreed to adjourn the matter to a further confidential pre-hearing conference to be held on December 2, 2013;

AND WHEREAS a confidential pre-hearing conference was held on December 2, 2013 and the Commission heard submissions from counsel for Staff, counsel for Black, and from Boultbee on his own behalf;

AND WHEREAS all parties agreed to adjourn the matter to a further confidential pre-hearing conference to be held on January 9, 2014;

AND WHEREAS a confidential pre-hearing conference was held on January 9, 2014 and the Commission heard submissions from counsel for Staff, counsel for Black, and from Boultbee on his own behalf;

AND WHEREAS on January 9, 2014, the Commission ordered that Black's motion to stay the proceeding against him or, alternatively, for directions regarding the scope of issues to be determined at the hearing would be heard on March 26 and March 27, 2014, and that a further confidential pre-hearing would be held on February 26, 2014;

AND WHEREAS a confidential pre-hearing conference was held on February 26, 2014 and the Commission heard submissions from counsel for Staff and counsel for Black;

AND WHEREAS on February 26, 2014, the Commission ordered that Black's motion scheduled for March 26 and March 27, 2014 to stay the proceeding against him or, alternatively, for directions regarding the scope of issues to be determined at the hearing would be re-scheduled to April 10 and April 11, 2014, and that a further confidential pre-hearing

conference would take place on March 20, 2014, or on such other date as agreed by the parties and set by the Office of the Secretary;

AND WHEREAS a confidential pre-hearing conference was held on March 20, 2014 and the Commission heard submissions from counsel for Staff and counsel for Black, and from Boultbee on his own behalf;

AND WHEREAS on April 1, 2014, the Commission ordered that:

1. A further confidential pre-hearing conference take place on June 16, 2014 at 10:00 a.m., or on such other date as may be ordered by the Commission; and

2. A motion requested by Boultbee for severance of the allegations against him be heard on July 22 and July 23, 2014, commencing at 10:00 a.m., or on such other date as may be ordered by the Commission; and

3. A hearing on the merits be scheduled to commence on October 3, 2014 and continue on the following dates in October 2014: 6, 8-10; 14-17; 20; 22-24; 27-31; and on the following dates in February 2015: 2-6, 9, 11-13, or on such other dates as may be ordered by the Commission;

AND WHEREAS on April 10 and 11, 2014, the Commission held a hearing relating to Black's motion for:

1. An order staying the proceeding against Black on the condition that the undertaking given to the Commission by Black on February 2, 2006, as amended on March 30, 2007 remain in effect; or

2. In the alternative, directions regarding the scope of the issues to be determined at any hearing of the proceeding against Black and hence the evidence permitted to be presented at the hearing;

AND WHEREAS on June 13, 2014, the Commission issued its reasons and decision regarding Black's Motion;

AND WHEREAS on June 13, 2014, the Commission ordered that:

1. The following dates be vacated: June 16, 2014 and July 22 and 23, 2014; and

2. A confidential pre-hearing conference take place on July 30, 2014 at 10:00 a.m., or on such other date as may be ordered by the Commission;

AND WHEREAS a confidential pre-hearing conference was held on July 30, 2014, at which counsel for Staff and counsel for Black attended in person and Boultbee attended by telephone, and the Commission heard submissions from counsel for Staff and counsel for Black, and from Boultbee on his own behalf;

AND WHEREAS on July 31, 2014, the Commission ordered that:

1. A motion by Boultbee for the severance of the allegations against him be heard on August 11, 2014, commencing at 11:00 a.m., or on such other date as may be ordered by the Commission;

2. The parties shall disclose witness lists, witness summaries, and all documents that they intend to use as evidence at the hearing by August 20, 2014 at 4:00 p.m.;

3. The following hearing dates are vacated: October 3, 2014 and February 2-6, 9, and 11-13, 2015; and

4. A further confidential pre-hearing conference take place on August 25, 2014 at 10:00 a.m., or on such other date as may be ordered by the Commission;

AND WHEREAS on August 11, 2014, the Commission held a hearing to consider Boultbee's motion for severance (the "**Severance Motion**"), at which Boultbee attended by telephone and counsel for Staff attended in person, and at which the Commission heard submissions from Boultbee on his own behalf and from counsel for Staff, and the Commission reserved its decision on the motion;

AND WHEREAS on August 12, 2014, the Commission ordered that Boultbee's Severance Motion be dismissed, and stated that formal reasons would follow the issuance of its order;

AND WHEREAS a confidential pre-hearing conference was held on August 25, 2014 and the Commission heard submissions from counsel for Staff and counsel for Black, and from Boultbee on his own behalf and it was ordered that:

1. The parties shall serve and file any joint or separate hearing briefs by September 26, 2014.

2. Any preliminary motion, if made by Staff, be scheduled for October 6, 2014, commencing at 10:00 a.m., and any related materials be filed according to the following schedule:

   a. Staff shall serve and file written materials by 4:00 p.m. on September 12, 2014; and

   b. Respondents shall serve and file any responding materials by 4:00 p.m. on September 26, 2014.

3. Following consideration of Staff's motion on October 6, if applicable, the hearing will continue as scheduled on the following dates in October 2014: 6, 8-10, 14-17, 20, 22-24, and 27-31, or on such other dates as may be ordered by the Commission. If Staff do not make a motion, the hearing shall commence at 10:00 a.m. on October 6, 2014.

AND WHEREAS the hearing in this matter commenced on October 6, 2014, at which time various motions were heard;

AND WHEREAS on October 8, 2014, the Panel provided oral reasons on the Severance Motion, and oral reasons on the motions argued on October 6, 2014, following which, the hearing in this matter resumed and continued on October 9 and 10, 2014;

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 following hearing days are vacated: October 14-17, 20, 22-24, 27, and 29-31, 2014;

2. Oral closing submissions are scheduled for October 28, 2014, commencing at 10:00 a.m., or on such other dates as may be ordered by the Commission, and written closing submissions and related materials shall be filed both in paper and electronically according to the following schedule:

   a. Staff shall serve and file written materials by 4:00 p.m. on October 20, 2014; and

   b. Respondents shall serve and file any responding materials by 4:00 p.m. on October 27, 2014.

DATED at Toronto this 10th day of October, 2014.

"Christopher Portner"

"Judith N. Robertson"

Chapter 3

Reasons: Decisions, Orders and Rulings

3.1 OSC Decisions, Orders and Rulings

3.1.1 Kevin Duffy

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

AND

IN THE MATTER OF
AN APPLICATION FOR REGISTRATION BY
KEVIN DUFFY

SETTLEMENT AGREEMENT

I. INTRODUCTION

1. This settlement agreement (the **Settlement Agreement**) relates to an application (the **Application**) for a reinstatement of registration under the *Securities Act* (Ontario) (the **Act**) by Kevin Duffy (**Duffy**) with Sterling Mutuals Inc. (**Sterling**).

2. In reviewing the Application, staff of the Ontario Securities Commission (**Staff**) became aware of information which could impugn Duffy's suitability for registration under the Act, and which could form the basis of an recommendation by Staff to the Director that the Application be refused.

3. In the event that Staff recommended to the Director that the Application be refused, Duffy would be entitled to an opportunity to be heard (an **OTBH**) pursuant to section 31 of the Act in respect of Staff's recommendation.

4. To avoid recourse to the OTBH process, Staff and Duffy have agreed to make a joint recommendation to the Director regarding the Application, as more particularly described in this Settlement Agreement.

II. AGREED STATEMENT OF FACTS

5. The parties agree to the facts as stated below.

A. Duffy's Registration History

6. Duffy has been registered as a mutual fund dealing representative (and prior to September 28, 2009, a mutual fund salesperson) with the following dealers:

   (a) 1995 – 2001: Investors Group

   (b) 2001 – 2004: Dundee Private Investors Inc.

   (c) 2004 – 2013: Fundex Investments Inc. (**Fundex**)

7. There has been no disciplinary action against Duffy by any securities commission, self-regulatory organization, or any firm registered under the Act, except as referred to in this Settlement Agreement.

B. Pre-Signed Forms

i. Pre-Signed Forms Found in 2008

8. In November 2008, Fundex provided Duffy with a report of a compliance review the firm had performed in respect of his practice (the **2008 Report**). The 2008 Report cited Duffy for, among other compliance deficiencies, the possession of blank pre-signed forms. Specifically, the 2008 Report noted that from a sample of 11 client files, Fundex had found 5 pre-signed blank forms for two different clients.

9. Subject to exceptions not applicable to this matter, the possession of pre-signed forms was prohibited by Fundex's policies and procedures.

10. In response to the 2008 Report, on January 9, 2009 Duffy was required to sign a Fundex "Acknowledgment and Undertaking" stating that he would review all client files under his administration and destroy any blank pre-signed forms, that he would not use pre-signed forms of any type, and that he would continue to abide by Fundex's policies and procedures regarding client instructions and unauthorized trading (the **Acknowledgement and Undertaking**). Duffy was also required to sign a statement that he was aware of, and would abide by, Fundex's policies and procedures (the **P&P Statement**).

ii. Pre-Signed Forms Found in 2010

11. In November 2010, Fundex provided Duffy with a report of another compliance review the firm had performed in respect of his practice (the **2010 Report**). The 2010 Report cited Duffy for, among other compliance deficiencies, the possession and use of blank pre-signed forms. The 2010 Report noted that from a sample of 9 client files, Fundex had found an unspecified number of pre-signed blank forms for three different clients.

12. In response to the 2010 Report, Duffy signed another Acknowledgement and Undertaking and another P&P Statement.

13. As a result of all the findings contained in the 2010 Report, Fundex placed Duffy's trading activities under strict supervision by his Regional Branch Manager. Duffy remained subject to this strict supervision for the duration of his employment at Fundex.

iii. Pre-Signed Forms Found in 2013

14. In May 2013, Fundex provided Duffy with a report of another compliance review the firm had performed in respect of his practice (the **2013 Report**). The 2013 Report cited Duffy for, among other compliance deficiencies, the possession of blank pre-signed forms. Specifically, the 2013 Report noted that two blank pre-signed forms were found for two clients.

15. In response to the 2013 Report, Duffy signed another P&P Statement.

C. Warning Letter

16. On February 28, 2014, the Mutual Fund Dealers Association of Canada sent a letter to Duffy warning him about, among other things, his use of pre-signed forms to facilitate client transactions.

D. Termination by Fundex and Application with Sterling

17. On March 19, 2014, Fundex delivered a Form 33-109F1 *Notice of Termination of Registered Individuals and Permitted Individuals* indicating that effective as of that date, Duffy no longer had authority to act for the firm in a registerable capacity (the **Notice of Termination**). The Notice of Termination referred to, among other things, Duffy's repeated use of pre-signed forms.

18. The Application was submitted on April 7, 2014.

E. Additional Pre-Signed Forms Identified by Staff

19. In reviewing the Application, Staff discovered at least 14 pre-signed forms used by Duffy to process the purchase of securities for 3 clients. These cases of pre-signed forms were in addition to the cases identified in the 2008 Report, the 2010 Report, and 2013 Report.

20. Staff is not aware of any client complaints against Duffy.

III. ADMISSIONS AND REPRESENTATIONS BY DUFFY

21. Duffy admits that he obtained and used pre-signed forms as described in this Settlement Agreement.

22. Duffy admits that he did not comply with the policies and procedures of Fundex in relation to pre-signed forms, nor did he comply with any of the Acknowledgments and Undertakings or P&P Statements signed by him.

23. Duffy admits that by obtaining and using pre-signed forms, he failed to deal fairly, honestly, and in good faith with his clients, contrary to OSC Rule 31-505 *Conditions of Registration*.

24. Duffy represents as follows:

    (a) he did not use pre-signed forms to process any transaction which was not authorized by a client;

    (b) he obtained and used pre-signed forms as a means to deal with what he considered to be an overwhelming workload;

    (c) he has recently hired an assistant to manage the administrative functions of his practice and only his practice;

    (d) he takes full responsibility for his actions in this matter;

    (e) he has suffered financial and reputational harm as a result of his conduct; and

    (f) he recognizes and acknowledges that the further use of pre-signed forms could result in his permanent removal from the capital markets.

IV. JOINT RECOMMENDATION TO THE DIRECTOR

25. In order to resolve the matter of the Application, and on the basis of the Agreed Statement of Facts and the Admissions and Representations by Duffy set out in this Settlement Agreement, Staff and Duffy make the following joint recommendation to the Director:

    (a) Duffy will withdraw the Application and will not reapply for a minimum period of nine months from March 19, 2014, the date of his termination by Fundex;

    (b) before reapplying for registration, Duffy will successfully complete the *Conduct and Practices Handbook Course*;

    (c) if Duffy complies with paragraphs (a) and (b) above, then upon Duffy reapplying for registration in the future with a registered mutual fund dealer, Staff will not recommend to the Director that his application be refused unless Staff becomes aware after the date of this Settlement Agreement of conduct impugning Duffy's suitability for registration, and provided he meets all other applicable criteria for registration at the time he applies for registration; and

    (d) in the event Duffy's registration is reinstated, his registration shall be subject to the terms and conditions set out in Schedule "A" for a period of one year.

26. The Parties submit that their joint recommendation is reasonable, having regard to the following factors:

    (a) Duffy has recognized and acknowledged his misconduct, and by engaging an administrative assistant dedicated to his practice, has taken steps to minimize the chance that his misconduct will be repeated in the future;

    (b) The joint recommendation requires Duffy to obtain additional education about his professional responsibilities as a registrant;

    (c) The period of time Duffy is to be refused registration under the Settlement Agreement is consistent with other relevant decisions of the Director;

    (d) The terms and conditions proposed by the Settlement Agreement provide a means to detect or prevent the future use of pre-signed forms by Duffy;

    (e) Duffy has suffered financial and reputational harm as a result of his misconduct;

    (f) Duffy has been co-operative with Staff in its review of the Application; and

    (g) By agreeing to this Settlement Agreement, Duffy has saved Staff and the Director the time and resources that would have been required for an OTBH.

27. Staff and Duffy acknowledge that if the Director does not accept this joint recommendation:

    (a) this joint recommendation and all discussions and negotiations between Staff and Duffy in relation to this matter shall be without prejudice to the parties; and

(b) Duffy will be entitled to an OTBH in accordance with section 31 of the Act in respect of any recommendation that may be made by Staff regarding his registration status.

28. The parties agree that this Settlement Agreement, and any Director's decision approving of it, will be published on the OSC's website and in the OSC Bulletin.

"*Marrianne Bridge"*
Marrianne Bridge
Deputy Director
Compliance and Registrant Regulation

October 9, 2014
Date

"Kevin Duffy"
Kevin Duffy

October 3, 2014
Date

Schedule "A"

Terms and Conditions

The registration of Kevin Duffy (the **Registrant**) under the *Securities Act* (Ontario) (the **Act**) is subject to the following terms and conditions, which were imposed by the Director pursuant to section 27 of the Act:

Strict Supervision

1. The registration of the Registrant shall be subject to strict supervision by his sponsoring firm.

2. The Registrant's sponsoring firm is to submit written monthly supervision reports (in the form specified in Appendix A) to the Ontario Securities Commission (the **OSC**), Attention: Deputy Director, Registrant Conduct Team, Compliance and Registrant Regulation Branch, and also to the Mutual Fund Dealers Association (**MFDA**), Attention: Manager, Compliance. These reports will be submitted within 15 calendar days after the end of each month.

3. The Registrant must immediately report to the OSC's Deputy Director, Registrant Conduct Team, Compliance and Registrant Regulation Branch if he is under investigation by the MFDA or is reprimanded in any way by the MFDA.

Delivery of Documents

4. The Registrant may not process any transactions for a client without the client's written authorization, which must be delivered to the Registrant's sponsoring firm at the time the Registrant processes the transaction.

5. If the Registrant processes a transaction for a client using a document that is signed or initialed by a client and that is not the original version of the document (a **Copied Document**), the Registrant must deliver the original document to his sponsoring firm within one week of the transaction to permit the firm to verify the authenticity of the Copied Document, including whether the Copied Document was created using a pre-signed form.

Appendix "A"

Strict Supervision Report

I hereby certify that supervision has been conducted for the month ending _____, 201_ of the trading activities of Kevin Duffy (the **Registrant**) by the undersigned. I further certify the following:

1. All orders, both buy and sell, and sales contracts have been reviewed by a supervising officer of Sterling Mutuals Inc. prior to the trade occurring.

2. All client accounts have been reviewed for leveraging, suitability of investments, overconcentration of investments, excess trading or switching, and any amendments to know your client information.

3. A review of trading activity on a daily basis has been conducted of the dealing representative's client accounts.

4. No transactions have been made in any client account until the full and correct documentation is in place.

5. The Registrant has not been granted any power of attorney over any client accounts.

6. All payments for the purchase of the investments were made payable to the dealer. There were no cash payments accepted.

7. No client complaints have been received during the preceding month. If there have been complaints, an outline of the nature of the complaint and follow-up action initiated by the company is attached.*

8. There has been no handling of clients' funds or securities or issuance of cheques to clients without management approval.

9. Any transfer of funds or securities between clients' accounts has been authorized in writing and reviewed by the supervising officer.

10. Spot audits relative to the Registrant's client accounts have been conducted during the preceding month to ensure compliance with these procedures and no violations of these procedures were discovered.

* In the event of client complaints or violations of securities legislation and/or the dealer's internal policies and procedures, the Ontario Securities Commission must be notified immediately.

_____ _____

Date Signature of Supervising Officer

_____

Name of Supervising Officer

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
Trafina Energy Ltd.	26 September 14	8 October 14	8 October 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
Besra Gold Inc.	10 October 14	22 October 14			

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
Besra Gold Inc.	10 October 14	22 October 14			
ZoomMed Inc.	03 October 14	15 October 14			

This page intentionally left blank

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

REPORT OF TRADES ON FORM 45-106F1 AND 45-501F1

There are no Reports of Exempt Distribution on Forms 45-106F1 or 45-501F1 (Reports) in this Bulletin.

Reports filed on or after February 19, 2014 must be filed electronically.

As a result of the transition to mandated electronic filings, the OSC is considering the most effective manner to make data about filed Reports available to the public, including whether and how this information should be reflected in the Bulletin. In the meantime, Reports filed with the Commission continue to be available for public inspection during normal business hours.

This page intentionally left blank

Chapter 11

IPOs, New Issues and Secondary Financings

Issuer Name:
American Hotel Income Properties REIT LP
Principal Regulator - British Columbia
Type and Date:
Preliminary Short Form Prospectus dated October 10, 2014
NP 11-202 Receipt dated October 10, 2014
Offering Price and Description:
Cdn$45,039,500.00 - 4,310,000 Units
Price: Cdn$10.45 Per Offered Unit
Underwriter(s) or Distributor(s):
Canaccord Genuity Corp.
National Bank Financial Inc.
CIBC World Markets Inc.
TD Securities Inc.
Haywood Securities Inc.
Scotia Capital Inc.
Dundee Securities Ltd.
GMP Securities L.P.
Promoter(s):
Project #2266070

Issuer Name:
Ceres Global Ag Corp.
Principal Regulator - Ontario
Type and Date:
Preliminary Short Form Prospectus dated October 7, 2014
NP 11-202 Receipt dated October 7, 2014
Offering Price and Description:
$75,000,000.00 - Offering of Rights to Subscribe for * Common Shares at a Subscription Price of $ * per Common Share
Underwriter(s) or Distributor(s):
Promoter(s):
Project #2266166

Issuer Name:
Formula Growth Mutual Fund
Principal Regulator - Quebec
Type and Date:
Preliminary Simplified Prospectus dated October 9, 2014
NP 11-202 Receipt dated October 10, 2014
Offering Price and Description:
Series A, Series F and Series I Units
Underwriter(s) or Distributor(s):
Promoter(s):
Formula Growth Limited
Project #2266889

Issuer Name:
Lundin Mining Corporation
Principal Regulator - Ontario
Type and Date:
Preliminary Short Form Prospectus dated October 7, 2014
NP 11-202 Receipt dated October 7, 2014
Offering Price and Description:
$674,000,700.00 - 132,157,000 Subscription Receipts each respenting the right to receive one common share
Price: $5.10 per Subscription Receipt
Underwriter(s) or Distributor(s):
GMP Securities L.P.
BMO Nesbitt Burns Inc.
Scotia Capital Inc.
Merrill Lynch Canada Inc.
TD Securities Inc.
CIBC World Markets Inc.
Dundee Securities Ltd.
RBC Dominion Securities Inc.
Haywood Securities Inc.
Promoter(s):
Project #2265983

Issuer Name:
Marquis Balanced Growth Class Portfolio
Marquis Balanced Portfolio
Marquis Equity Portfolio
Marquis Growth Portfolio
Principal Regulator - Ontario
Type and Date:
Combined Preliminary and Pro Forma Simplified Prospectusdated October 9, 2014
NP 11-202 Receipt dated October 9, 2014
Offering Price and Description:
Series E Units
Underwriter(s) or Distributor(s):
1832 Asset Management L.P.
1832 Asset Management L.P.
Promoter(s):
1832 Asset Management L.P.
Project #2266893

Issuer Name:
Pattern Energy Group Inc.
Principal Regulator - Ontario
Type and Date:
Preliminary Prospectus - MJDS dated October 8, 2014
NP 11-202 Receipt dated October 9, 2014
Offering Price and Description:
Class A Common Stock
Preferred Stock
Debt Securities
Warrants
Purchase Contracts
Subscription Receipts
Units
Underwriter(s) or Distributor(s):
Promoter(s):
Project #2266686

Issuer Name:
Sears Canada Inc.
Principal Regulator - Ontario
Type and Date:
Preliminary Short Form Prospectus dated October 7, 2014
NP 11-202 Receipt dated October 8, 2014
Offering Price and Description:
Up to 40,000,000 Outstanding Common Shares
Deliverable Upon Exercise of the
Subscription Rights Distributed by Sears Holdings Corporation
Subscription Price: U.S.$9.50 per whole Common Share
Underwriter(s) or Distributor(s):
Promoter(s):
Project #2266284

Issuer Name:
Seven Generations Energy Ltd.
Principal Regulator - Alberta
Type and Date:
Amended and Restated Preliminary Long Form PREP Prospectus dated dated October 9, 2014
NP 11-202 Receipt dated October 9, 2014
Offering Price and Description:
$* - * Common Shares
Price: $ * per Common Share
Underwriter(s) or Distributor(s):
RBC Dominion Securities Inc.
Credit Suisse Securities (Canada), Inc.
Peters & Co. Limited
BMO Nesbitt Burns Inc.
CIBC World Markets Inc.
Scotia Capital Inc.
TD Securities Inc.
AltaCorp Capital Inc.
National Bank Financial Inc.
Canaccord Genuity Corp.
Cormark Securities Inc.
FirstEnergyCapital Corp.
GMP Securities L.P.
Macquarie Capital Markets Canada Ltd.
Raymond James Ltd.
Leede Financial Markets Inc.
Promoter(s):
Project #2261989

Issuer Name:
Strata-X Energy Ltd.
Principal Regulator - Alberta
Type and Date:
Preliminary Short Form Prospectus dated October 7, 2014
NP 11-202 Receipt dated October 7, 2014
Offering Price and Description:
$12,000,000 - * Common Shares
Price: $* per Common Share
Underwriter(s) or Distributor(s):
Integral Wealth Securities Limited
Promoter(s):
-
Project #2266304

Issuer Name:
Campar Capital Corporation
Principal Regulator - Ontario
Type and Date:
Final CPC Prospectus dated October 8, 2014
NP 11-202 Receipt dated October 9, 2014
Offering Price and Description:
$400,000.00 4,000,000 Common Shares
Price: $0.10 per Common Share
Minimum Subscription (per subscriber): $100.00 (1,000 Common Shares) Maximum Subscription (per subscriber): $8,000.00 (80,000 Common Shares)
Underwriter(s) or Distributor(s):
Raymond James Ltd.
Promoter(s):
Project #2260205

Issuer Name:
First Capital Realty Inc.
Principal Regulator - Ontario
Type and Date:
Final Shelf Prospectus dated October 9, 2014
NP 11-202 Receipt dated October 9, 2014
Offering Price and Description:
$2,000,000,000.00 - Common Shares
Warrants to Purchase Common Shares, Debt Securities, Units
Underwriter(s) or Distributor(s):
Promoter(s):
Project #2264949

Issuer Name:
Mackenzie Canadian Short Term Yield Class
Principal Regulator - Ontario
Type and Date:
Amendment #3 dated September 29, 2014 to Final Simplified Prospectus dated November 28, 2013
NP 11-202 Receipt dated October 8, 2014
Offering Price and Description:
Series LB @ Net Asset Value
Underwriter(s) or Distributor(s):
LB Financial Services Inc.
LBC Financial Services Inc
LBC Financial Services Inc.
Promoter(s):
Mackenzie Financial Corporation
Project #2122654

This page intentionally left blank

Chapter 12

Registrations

12.1.1 Registrants

Type	Company	Category of Registration	Effective Date
Voluntary Surrender	Conning, Inc.	Portfolio Manager	September 30, 2014
New Registration	Conning Investment Products ,Inc.	Portfolio Manager	September 30, 2014
Amalgamation	Rae & Lipskie Investment Counsel Inc. and Echlin Investment Management Limited To Form: Rae & Lipskie Investment Counsel Inc.	Investment Fund Manager and Portfolio Manager	September 2, 2014
New Registration	Algonquin Capital Corporation	Investment Fund Manager, Portfolio Manager and Exempt Market Dealer	October 14, 2014
Change in Registration Category	Investment Strategies Inc.	From: Portfolio Manager To: Portfolio Manager and Exempt Market Dealer	October 14, 2014

This page intentionally left blank

Chapter 13

SROs, Marketplaces, Clearing Agencies and Trade Repositories

13.2 Marketplaces

13.2.1 360 Trading Networks Inc. et al.

360 TRADING NETWORKS INC.,
BGC DERIVATIVES MARKETS, L.P.,
BLOOMBERG SEF LLC,
GFI SWAPS EXCHANGE LLC,
ICAP GLOBAL DERIVATIVES LIMITED,
ICAP SEF (US) LLC,
ICE SWAP TRADE LLC,
JAVELIN SEF, LLC,
LATAM SEF, LLC,
MARKETAXESS SEF CORPORATION,
SWAPEX, LLC,
TERAEXCHANGE LLC,
THOMSON REUTERS (SEF) LLC,
TPSEF INC.,
TRADITION SEF INC.,

AND

TW SEF LLC

NOTICE OF COMMISSION ORDER

On September 30, 2014, the Commission issued a variation order pursuant to section 144 of the *Securities Act* (Ontario) (OSA) extending the interim orders exempting each of the above-noted swap execution facilities ("SEFs") from the requirement to be recognized as an exchange, so that each interim order will expire on the 180th day following the date on which the SEF is granted permanent registration by the United States Commodity Futures Trading Commission.

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

This page intentionally left blank

Chapter 25

Other Information

25.1 Approvals

25.1.1 Bull Capital Management Inc. – s. 213(3)(b) of the LTCA

Headnote

Clause 213(3)(b) of the Loan and Trust Corporations Ac – 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 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).

October 7, 2014

Borden Ladner Gervais LLP
Scotia Plaza, 40 King St. W.
Toronto, ON M5H 3Y4

Attention: Sarah K. Gardiner

Dear Sirs/Mesdames:

Re: Bull Capital Management 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. 2014/0669

Further to your application dated August 21, 2014 (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 Absolute Core Return Fund and Great White North Fund, and any other future mutual fund trusts that the Applicant may 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 a qualified affiliate of such bank or trust company, the Ontario Securities Commission (the "Commission") makes the following order:

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

Yours truly,

"Edward P. Kirwin"
Commissioner

"James D. Carnwath"
Commissioner

This page intentionally left blank

Index

1832 Asset Management L.P.
Decision 9383
Decision 9390

360 Trading Networks Inc.
Variation to Interim Orders – s. 144 9401
Marketplaces 9523

Active Control Technology Inc.
Decision – s. 1(10) 9397

Algonquin Capital Corporation
New Registration 9521

Atkinson, Peter Y.
Notice from the Office of the Secretary 9372
Order 9405

Besra Gold Inc.
Cease Trading Order 9415

BGC Derivatives Markets, L.P.
Variation to Interim Orders – s. 144 9401
Marketplaces 9523

Black, Conrad M.
Notice from the Office of the Secretary 9372
Order 9405

BLF Real Estate Investment Trust
Decision 9395

Bloomberg SEF LLC
Variation to Interim Orders – s. 144 9401
Marketplaces 9523

BMO Investments Inc.
Decision 9383
Decision 9390

Bochner, Joseph
Notice from the Office of the Secretary 9371
Order – s. 127 9400

Boultbee, John A.
Notice from the Office of the Secretary 9372
Order 9405

Bull Capital Management Inc.
Approval – s. 213(3)(b) of the LTCA 9525

CIBC Asset Management Inc.
Decision 9383
Decision 9390

Companion Policy 31-103CP Registration Requirements, Exemptions and Ongoing Registrant Obligations
..... Supplement 5

Companion Policy 33-506CP (Commodity Futures Act) Registration Information
..... Supplement 5

Companion Policy 52-107CP Acceptable Accounting Principles and Auditing Standards
..... Supplement 5

Conning Investment Products ,Inc.
New Registration 9521

Conning, Inc
Voluntary Surrender 9521

CSA Notice 62-307 – Update on Proposed Amendments to Multilateral Instrument 62-104 Take-Over Bids and Issuer Bids, National Instrument 62-103 Early Warning System and Related Take-Over Bid and Insider Reporting Issues and National Policy 62-203 Take-Over Bids and Issuer Bids
Notice 9367

Duffy, Kevin
Settlement Agreement 9409

Echlin Investment Management Limited
Amalgamation 9521

Gatekeepers of Wealth Inc. (The)
Notice from the Office of the Secretary 9371
Order – s. 127 9400

GFI Swaps Exchange LLC
Variation to Interim Orders – s. 144 9401
Marketplaces 9523

GLV Inc.
Decision 9373

I.G. Investment Management, Ltd.
Decision 9379

ICAP Global Derivatives Limited
Variation to Interim Orders – s. 144 9401
Marketplaces 9523

ICAP SEF (US) LLC
Variation to Interim Orders – s. 144 9401
Marketplaces 9523

ICE Swap Trade LLC
Variation to Interim Orders – s. 144 9401
Marketplaces 9523

Inspektor, Eric
Notice from the Office of the Secretary 9371
Order 9399

Investment Strategies Inc.
Change in Registration Category 9521

Javelin SEF, LLC
Variation to Interim Orders – s. 144 9401
Marketplaces 9523

LatAm SEF, LLC
Variation to Interim Orders – s. 144 9401
Marketplaces 9523

Lumina Copper Corp.
Decision 9377

MarketAxess SEF Corporation
Variation to Interim Orders – s. 144 9401
Marketplaces 9523

MI 62-104 Take-Over Bids and Issuer Bids
Notice 9367

Multilateral CSA Notice of Amendments to NI 58-101 Disclosure of Corporate Governance Practices
Notice 9370

NI 33-109 Registration Information
..... Supplement 5

NI 52-107 Acceptable Accounting Principles and Auditing Standards
..... Supplement 5

NI 58-101 Disclosure of Corporate Governance Practices
Notice 9370

NI 62-103 Early Warning System and Related Take-Over Bid and Insider Reporting Issues
Notice 9367

NI-31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations
..... Supplement 5

NP 62-203 Take-Over Bids and Issuer Bids
Notice 9367

OSC Rule 33-506 (Commodity Futures Act) Registration Information
..... Supplement 5

OSC Rule 35-502 Non-Resident Advisers
..... Supplement 5

Rae & Lipskie Investment Counsel Inc.
Amalgamation 9521

RBC Global Asset Management Inc.
Decision 9383
Decision 9390

SwapEx, LLC
Variation to Interim Orders – s. 144 9401
Marketplaces 9523

TD Asset Management Inc.
Decision 9383
Decision 9390

TeraExchange LLC
Variation to Interim Orders – s. 144 9401
Marketplaces 9523

Thomson Reuters (SEF) LLC
Variation to Interim Orders – s. 144 9401
Marketplaces 9523

tpSEF Inc.
Variation to Interim Orders – s. 144 9401
Marketplaces 9523

Tradition SEF INC.
Variation to Interim Orders – s. 144 9401
Marketplaces 9523

Trafina Energy Ltd.
Cease Trading Order 9415

Tuscany International Drilling Inc.
Decision 9398
Order – s. 144 9403

TW SEF LLC
Variation to Interim Orders – s. 144 9401
Marketplaces 9523

ZoomMed Inc.
Cease Trading Order 9415