

The Ontario Securities Commission

OSC Bulletin

October 10, 2024

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A. Capital Markets Tribunal

A.2 Other Notices

A.2.1 Ahmed Kaiser Akbar

FOR IMMEDIATE RELEASE
October 3, 2024

AHMED KAISER AKBAR,
File No. 2024-7

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

A copy of the Order dated October 3, 2024 is available at [capitalmarketstribunal.ca](https://www.capitalmarketstribunal.ca).

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Ontario Securities Commission

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A.2.2 Kallo Inc. et al.

FOR IMMEDIATE RELEASE
October 7, 2024

**KALLO INC.,
JOHN CECIL AND
SAMUEL PYO,**
File No. 2023-12

TORONTO – The previously scheduled days of October 8, 9 and 10, 2024 will not be used for the merits hearing in the above-named matter. The merits hearing will commence on October 22, 2024 and continue on October 23, 24, 29, 30 and 31, November 28 and 29, December 2, 3, 12, 13, 16, 17 and 18, 2024, January 14, 15, 16, 21, 22, 23, 28, 29 and 30, February 4, 5, 6 and 11, 2025 at 10:00 a.m. on each day.

The hearing will be held at the offices of the Tribunal at 20 Queen Street West, 17th floor, Toronto. Members of the public may observe the hearing by videoconference, by selecting the "Register to attend" link on the Tribunal's hearing schedule, at [capitalmarketstribunal.ca/en/hearing-schedule](https://www.capitalmarketstribunal.ca/en/hearing-schedule).

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A.2.3 Phemex Limited and Phemex Technology Pte. Ltd.

FOR IMMEDIATE RELEASE
October 7, 2024

**PHEMEX LIMITED AND
PHEMEX TECHNOLOGY PTE. LTD.,
File No. 2023-22**

TORONTO – The previously scheduled hearing days of October 8, 9 and 10, 2024 will not be used for the merits hearing in the above-named matter. The merits hearing will continue on December 5, 2024 at 10:00 a.m. The hearing will be held at the offices of the Tribunal at 20 Queen Street West, 17th floor, Toronto.

Members of the public may observe the hearing by videoconference, by selecting the "Register to attend" link on the Tribunal's hearing schedule, at [capitalmarketstribunal.ca/en/hearing-schedule](https://www.capitalmarketstribunal.ca/en/hearing-schedule).

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A.3 Orders

A.3.1 Ontario Securities Commission and Ahmed Kaiser Akbar

ONTARIO SECURITIES COMMISSION

AND

AHMED KAISER AKBAR

File No. 2024-7

Adjudicator: Sandra Blake

October 3, 2024

ORDER

WHEREAS on October 3, 2024, the Capital Markets Tribunal held a hearing by videoconference;

ON HEARING the submissions of the representatives for the Ontario Securities Commission and for the respondent;

IT IS ORDERED THAT:

1. by November 1, 2024, at 4:30 p.m., the respondent shall:
 - a. serve and file a witness list;
 - b. serve a summary of each witness's expected testimony; and
 - c. indicate any intention to call an expert witness, including providing the expert's name and the issues on which the expert will be testifying; and
2. a further case management hearing in this matter is scheduled for November 27, 2024, at 10:00 a.m. by videoconference, or on such other date and time as may be agreed to by the parties and set by the Governance & Tribunal Secretariat.

"Sandra Blake"

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B. Ontario Securities Commission

B.1 Notices

B.1.1 OSC Consultation Paper 81-737 – Opportunity to Improve Retail Investor Access to Long-Term Assets through Investment Fund Product Structures

OSC Consultation Paper 81-737 – Opportunity to Improve Retail Investor Access to Long-Term Assets through Investment Fund Product Structures is reproduced on the following internally numbered pages. Bulletin pagination resumes at the end of the Consultation Paper.

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Ontario Securities Commission
Consultation Paper 81-737

Opportunity to Improve Retail Investor Access to Long-Term Assets through Investment Fund Product Structures

October 10, 2024



ONTARIO
SECURITIES
COMMISSION

Opportunity to Improve Retail Investor Access to Long-Term Assets through Investment Fund Product Structures

I. Purpose

The statutory mandate of the Ontario Securities Commission (**OSC** or **we**) is to provide protection to investors from unfair, improper or fraudulent practices; to foster fair, efficient and competitive capital markets and confidence in the capital markets; to foster capital formation; and to contribute to the stability of the financial system and the reduction of systemic risk.¹ One goal under this mandate is to enhance the experience of individual investors. Our efforts in this area are guided toward outcomes including positioning investors to make better life-cycle investment decisions, minimizing regulatory and structural barriers to efficient investing, and reducing investor harm.² Another goal under this mandate is to foster conditions for capital formation and innovation in both public and private markets. Among other things, our efforts in this area seek to enable businesses in Ontario to raise more capital to meet their needs for growth, improve financing availability at all stages of business growth across the private and public markets, and expand investment opportunities for a broad range of investors.

This Consultation Paper sets out a framework proposal (the **Proposal**) to facilitate investment opportunities in long-term illiquid assets, which will be referred to as **Long-Term Assets**, through an investment fund product structure. The purpose of the Proposal is to enhance the experience of individual investors and to foster conditions for capital formation and innovation in both public and private markets. The Proposal offers potential benefits to investors and businesses, and could lead to increased investment in capital-intensive assets, such as infrastructure, natural resource projects, and other long-term interests.

The OSC is publishing this Consultation Paper to seek feedback from stakeholders to identify the key success factors, as well as areas of concern with the Proposal. We expect the Proposal to be of particular interest to

1. investors, including institutional investors,
2. investor advocates,
3. investment fund managers, portfolio managers, and dealers,
4. owners and operators of Long-Term Assets, and
5. managers of Long-Term Asset pools.

Stakeholder feedback will be taken into consideration in the next phase for the Proposal, which we anticipate will be the publication for comment of proposed rule amendments and policy changes that would support the implementation of a regime that permits retail investment in Long-Term Assets through investment fund product structures.

¹ Section 1.1 of the *Securities Act* (Ontario) (the **Act**).

² Ontario Securities Commission, Strategic Plan, 2024-2030 (available at https://www.osc.ca/sites/default/files/2024-05/pub_20240503_OSC-strategic-plan.pdf).

II. Background

A. Long-Term Assets

The Proposal contemplates a broad definition of Long-Term Assets. Inclusive parameters will provide the greatest opportunities for participation by investors, where suitable, and facilitate investment in a range of assets.

For our purposes, Long-Term Assets fall within the definition of “illiquid assets” in section 1.1 of National Instrument 81-102 *Investment Funds (NI 81-102)*.³ Long-Term Assets are illiquid assets that cannot be readily disposed of, may be difficult to value, and generally have longer investment time horizons than other assets. They include venture capital, private equity, private debt, mortgages, real estate, infrastructure, and natural resource projects. While this would include capital-intensive assets in Ontario, we do not propose to limit our Proposal to assets that are located within Ontario.

B. Benefits and risks of investing in Long-Term Assets

The role of securities regulators in facilitating investment in Long-Term Assets is not to comment on the merits of such investments. Our role is to ensure there is clarity about the benefits and risks of such investments as we determine whether, and how, to develop a regulatory framework that would permit greater retail investor access to Long-Term Assets.

Long-Term Assets, characterized by their illiquidity, can play a significant role in investment strategies, particularly for those with extended investment horizons. The illiquidity premium is intended to compensate investors for the risk of not being able to quickly liquidate these assets, especially during volatile market periods. Diversification is another key benefit, as long-term assets typically exhibit lower correlation with public market investments, thereby potentially reducing portfolio risk.

For long-term investors, these assets may align with their investment horizon as they are less concerned with short-term market swings and can afford to wait for the assets to mature, potentially realizing greater returns. Holding illiquid Long-Term Assets may also encourage a “buy and hold” strategy, which may result in lower costs and higher yields than active trading strategies.

Investors will only benefit from holding Long-Term Assets if they have information about, and access to, them at a sufficiently early-stage. Asymmetric information and market restrictions can impede investment, particularly for retail investors who are most likely to lack comprehensive knowledge about Long-Term Assets and are restricted from investing in them through existing channels.

While there are potential benefits to investing in Long-Term Assets, it is also important to consider potential risks. Long-Term Assets may achieve a higher rate of return but in exchange have limited or no immediate liquidity and greater price volatility. Although the illiquidity premium is intended to

³ Under section 1.1 of NI 81-102, “illiquid asset” means: (a) a portfolio asset that cannot be readily disposed of through market facilities on which public quotations in common use are widely available at an amount that at least approximates the amount at which the portfolio asset is valued in calculating the net asset value per security of the investment fund, or (b) a restricted security held by an investment fund.

compensate investors for taking greater risks, the risks cannot be overlooked when determining if these types of investments are appropriate.

The illiquidity of Long-Term Assets means that in times of financial stress, investors may find it challenging to divest their holdings without incurring significant losses. Additionally, the price volatility of these assets can be higher, particularly during systemic shocks, which may lead to larger swings in portfolio value.

Holding a high percentage of Long-Term Assets in a portfolio could negate their diversification benefits. Investors are subject to greater risks if their portfolios are concentrated in Long-Term Assets, if they cannot afford to hold these assets through periods of volatility.

Since Long-Term Assets are only expected to fully return proceeds over the long-term, their prices may be more sensitive to changes in expected market returns. The longer the period, the more sensitive prices will be.⁴ This price sensitivity may impact investors' investments in long-term projects as these projects face additional risks, including insufficient capital funding and project execution risks.

In summary, while Long-Term Assets can offer significant rewards, they require careful consideration of market access, information asymmetry, the investor's individual financial goals and investment horizon, and the overall risks of holding these investments.

C. Retail investor access to Long-Term Assets

Investors can access Long-Term Assets through some existing investment vehicles. For example, retail investors may hold securities in public companies that own a variety of Long-Term Assets, including natural resource projects, infrastructure projects, real estate, mortgages, and pools of these assets.⁵ Retail investors, however, may be unwilling or unable to invest in Long-Term Assets through these channels. Additionally, many Long-Term Assets are privately funded and unavailable to retail investors. The increase in private financing in Ontario and other developed economies, and the growing tendency for issuers to stay private for longer, may further reduce existing opportunities for retail investors to access Long-Term Assets.⁶

Retail investors could benefit from additional opportunities to invest in Long-Term Assets through an investment fund structure. As an alternative to investing in public companies that own Long-Term Assets, an investment fund would provide retail investors with an investment vehicle whose regulatory framework is more specifically tailored to their needs.

Beneficial investment fund requirements include the professional management of an experienced registered investment fund manager (**IFM**) and a registered portfolio manager (**PM**). Retail investors may be attracted to the requirement to calculate net asset value (**NAV**) over the alternative of buying and

⁴ For bonds, duration indicates the years it takes to receive a bond's true cost, weighing in the present value of all future coupon and principal payments. For bonds, duration risk measures the sensitivity of the bond to interest rate changes. Similar to bonds, the longer the period before an investor receives the expected payout of an investment in a Long-Term Asset, the greater the sensitivity of its price will be to changes in expected returns.

⁵ Retail investor access to public company securities include bonds.

⁶ Ontario Securities Commission, Strategic Plan, 2024-2030 (available at https://www.osc.ca/sites/default/files/2024-05/pub_20240503_OSC-strategic-plan).

selling over a secondary market without a NAV marker (as would be the case through public company investments). Offerings and redemptions at NAV may also increase retail investor interest in Long-Term Assets. Certain informational risks could be mitigated because funds are required to explain their investment objectives and strategies.

Holding Long-Term Assets through investment fund product structures could provide additional diversification benefits beyond simply providing exposure to illiquid assets within an investor's portfolio. An investment fund holding Long-Term Assets may be diversified across different types of Long-Term Assets or across different businesses or projects within a specific type of Long-Term Asset to mitigate concentration risk. Other advantages of holding Long-Term Assets through a diversified investment fund include a lower minimum investment and lower trading costs.

Relative to institutional investors (and to a lesser extent accredited investors), non-accredited retail investors have limited opportunities to invest in Long-Term Assets through private funds, and such opportunities would come with greater risk of information asymmetry.⁷ In contrast, a regulatory framework for public funds would include investor protections targeted at mitigating the unique risks of Long-Term Assets. For example, the role of dealers and advisors in connection with investments in Long-Term Assets through a public investment fund vehicle could benefit retail investors. Among other things, dealers and advisers are required to perform a suitability determination when taking certain actions, including making a recommendation to purchase a security to a client. To make a suitability determination, dealers and advisers are required to know the client and to know the product.

Pension plans invest directly in Long-Term Assets but that excludes the significant number of retail investors who are not members of a pension plan.⁸ Institutional investors, such as pension funds, are sophisticated and experienced in investing in Long-Term Assets. Retail investors could benefit from a public investment fund vehicle that will require co-investment by institutional investors.

Although retail investors can get exposure to Long-Term Assets through existing public investment fund product structures that hold illiquid assets, such investment funds are subject to the illiquid asset restrictions in section 2.4 of NI 81-102. In particular, mutual funds and non-redeemable investment funds (**NRIFs**) must not purchase an illiquid asset, if immediately after the purchase, more than 10% or 20% respectively of their NAV would be made up of illiquid assets.⁹ Also, section 2.3 of NI 81-102 prohibits investment funds from purchasing certain types of Long-Term Assets, including real property and non-guaranteed mortgages.¹⁰

⁷ The NAV of exempt funds with exposure to Long-Term Assets has grown from approximately \$83 billion in 2020 to approximately \$134 billion in 2023. See, OSC Investment Funds Survey (available at <https://www.osc.ca/en/industry/investment-funds-and-structured-products/investment-fund-survey/investment-fund-survey-data>).

⁸ According to Statistics Canada, 6.7 million Canadians were active members of a registered pension plan in 2021. Statistics Canada, "Pension plans in Canada, as of January 1, 2022", The Daily, June 23, 2023 (available at <https://www.statcan.gc.ca/o1/en/plus/4494-pensions-snapshot-fund-values-payouts-and-memberships>).

⁹ Subsections 2.4(1) and (4) of NI 81-102.

¹⁰ A mutual fund is subject to the restrictions in subsection 2.3(1) of NI 81-102. Under subsection 2.3(1.1) of NI 81-102, some of those limitations do not apply to an alternative mutual fund. An NRIF is subject to the restrictions in subsection 2.3(2) of NI 81-102. Investments in other investment funds are subject to the conditions in section 2.5 of NI 81-102.

While IFMs could apply for exemptive relief to establish an investment fund to hold illiquid or restricted assets (that would be Long-Term Assets), there are legal and regulatory costs associated with seeking such relief. A regulatory framework for any investment fund holding Long-Term Assets would mitigate these costs and facilitate the formation of investment funds holding a larger percentage of Long-Term Assets in their investment portfolios.

Retail investors could benefit from the opportunity to improve their access to Long-Term Assets through investment fund product structures that take account of the risks and benefits of these investments. These investment vehicles could provide retail investors the opportunity to invest in Long-Term Assets to diversify their portfolio into other asset classes such as infrastructure and other similar projects.

Increasing capital allocation to Long-Term Assets can benefit investors but could also benefit the owners and managers of Long-Term Assets in Ontario since the potential for greater capital inflows could help lower funding costs.

D. Improving conditions for investment in Ontario

We understand the Government of Ontario is looking at innovative ways to finance transportation, housing, energy, and municipal services, including through the “crowding in” of private sector investment from pension funds and other institutions. The Proposal is aligned with this goal as it contemplates an ecosystem that could include financing these projects through investment fund product structures. While implementing the Proposal does not necessarily mean that these infrastructure projects will be financed, it could increase the opportunities for additional funding.

The Long-Term Asset opportunities for Ontario investors as set out in this Consultation Paper may include assets located in other provinces or outside Canada too. We are, however, seeking stakeholder input into this aspect of the Proposal as set out in Q4. and Q5., below.

III. The Proposal

A. Objectives

Retail investors may potentially benefit from improved access to Long-Term Assets through investment fund product structures that invest in such assets. The Proposal seeks to mitigate some of the risks to retail investors of holding these illiquid assets. Meeting these objectives would further our goals to enhance the experience of individual investors, and to foster conditions for capital formation and innovation in both public and private markets while protecting investors who invest in these structures.

The Proposal is intended to accomplish the following objectives:

1. Provide retail investors with more opportunities to access Long-Term Assets through investment fund product structures.
2. Propose a framework that mitigates some of the risks of investing in Long-Term Assets.
3. Enable retail investors to benefit from the skills and experience of IFMs and PMs in investing in Long-Term Assets.
4. Enable retail investors to invest alongside experienced asset managers, institutional investors (including pension funds), and other sophisticated investors (**Cornerstone Investors**).
5. Provide a potential source of additional capital for Long-Term Assets.

- Q1. *Do you agree that retail investors could benefit from increased access to Long-Term Assets? Please explain.*
- Q2. *Could investment fund product structures facilitate increased retail investor allocation to Long-Term Assets, while mitigating some of the risks of holding these illiquid assets? Please explain.*
- Q3. *What else could be done to increase retail investor interest in specific types of Long-Term Assets?*
- Q4. *Would the investment fund structure be less attractive or not viable if the Proposal were to place some restrictions on minimum investments in Long-Term Assets located in Ontario? Please explain.*
- Q5. *Should the Proposal exclude certain types of Long-Term Assets (e.g., sensitive infrastructure projects in specific countries or Long-Term Assets that non-investment fund issuers would be prohibited from owning)? Please explain.*

B. Overview

We propose the introduction of a new category of investment fund that would be designed to accommodate investments in Long-Term Assets (**Ontario Long-Term Fund** or **OLTF**).¹¹ An OLTF's primary purpose would be to invest money provided by its securityholders and it would not invest for the purpose of exercising control of an issuer or for the purpose of being actively involved in the management of any issuer in which it invests.¹² Depending on the redemption terms of the product, an OLTF would fall within the definition of a mutual fund or an NRIF, but many of the current requirements applicable to those types of funds would not be appropriate to OLTFs, necessitating a unique regulatory framework that balances flexibility with investor protection. Under the Proposal, OLTFs would not be subject to the illiquid asset restrictions applicable to other investment funds. However, they would need to address inherent risks associated with Long-Term Assets, such as liquidity, volatility, concentration, duration, and informational asymmetries, by incorporating robust requirements and protections.

Under the Proposal, OLTFs would become reporting issuers in Ontario through a prospectus-qualified offering. Fund units could be purchased by Ontario investors with longer investment horizons and those who may benefit from the opportunity to invest in Long-Term Assets as part of a diversified and balanced portfolio. As investment funds available only to Ontario investors, OLTFs would not have any securities listed and traded on a marketplace in Canada.

OLTFs would not be subject to the illiquid asset restrictions applicable to other investment funds: Rather, they would be required to hold a minimum percentage of Long-Term Assets. OLTFs would also be subject

¹¹ In developing the Proposal, we also considered existing Long-Term Asset frameworks in Canada and other jurisdictions. A summary of these frameworks is set out in Appendix A.

¹² Under subsection 2.2(1) of NI 81-102, an investment fund must not purchase a security of an issuer (a) if, immediately after the purchase, the investment fund would hold securities representing more than 10% of (i) the votes attaching to the outstanding voting securities of the issuer; or (ii) the outstanding equity securities of the issuer, or (b) for the purpose of exercising control over, or management of, the issuer.

to a maximum percentage of Long-Term Assets to ensure they hold sufficient liquid assets to meet redemption requests.

Under the Proposal, OLTFs could be either fixed-term or evergreen funds,¹³ provided liquidity risks arising from redemption and funding mismatches are disclosed and effectively managed. Fixed-term OLTFs may be suitable for funding infrastructure or other development projects with expected completion dates. Evergreen OLTFs may be suitable for investing in rolling pools of private equity, private debt, or real estate or for holding operational and commercialized infrastructure assets.

The Proposal would require OLTFs to invest in Long-Term Assets through the securities of underlying collective investment vehicles (**CIV**). CIVs would be issuers that have the objective of investing in Long-Term Assets and would be required to have a Cornerstone Investor like a pension fund or other institutional investor. A requirement to invest through CIVs would facilitate the objective of OLTFs investing alongside other sophisticated long-term investors. The right to exit investments in CIVs by Cornerstone Investors should be proportional to the exit rights of the OLTF.

As an investment fund, OLTFs would have to be managed by an IFM, with portfolio assets being selected and monitored by a PM. The involvement of these fiduciaries should mitigate some of the complexity and unique risks of holding Long-Term Assets for retail investors.

We also think there may be scope to incorporate funds that invest in Long-Term Assets, like OLTFs, into a fund-on-fund structure. The investment restrictions in Part 2 of NI 81-102 could be amended to allow mutual funds, alternative mutual funds, or NRIFs to invest a percentage of NAV in funds that invest primarily in Long-Term Assets. However, this alternative would require the participation of our Canadian Securities Administration partners.

Q6. Please explain your views on each of the following overview elements:

- (i) OLTFs having the same restrictions on control that apply to investment funds under section 2.2 of NI 81-102.*
- (ii) OLTFs being subject to their own unique regulatory requirements.*
- (iii) OLTFs distributing units through a prospectus-qualified offering.*
- (iv) The impact of OLTFs being only distributed to Ontario investors.*
- (v) OLTFs being either fixed-term or evergreen investment funds.*
- (vi) The proposed CIV requirement.*

¹³ A fixed-term OLTF would have a definitive date for winding up, likely tied to the expected completion of infrastructure or other development projects the OLTF is funding. An evergreen OLTF would not have a specified term and could continue to roll over, in theory perpetually, the pool of Long-Term Assets it holds. While we start from a view that OLTFs should be (semi) open-ended funds given our view that they should have redemption features even if on a limited basis, we acknowledge there may be a market for fixed-term OLTFs that are closed-end funds.

(vii) *OLTFs within a fund-on-fund structure under an investment fund subject to the requirements of NI 81-102.*

Q7. *Are there other overview elements the Proposal should consider? Please explain.*

C. Threshold issues

When developing proposed rule amendments and policy changes following the consideration of stakeholder comments regarding the Proposal, we will evaluate all the requirements that apply to other types of investment funds to assess their applicability to OLTFs. We will consider whether each requirement should be applicable or amended and whether additional requirements are needed to adequately mitigate the risks of holding Long-Term Assets. For the purposes of this Consultation Paper, however, we have identified threshold issues in the following areas and set out our current views on how these issues should be addressed:

1. Redemptions.
2. Valuation (NAV).
3. Monitoring, Review and Governance.
4. Disclosure.
5. Investment restrictions.
6. Distribution.

Q8. *Do you agree that these are threshold issues? Are there any other threshold issues? Please explain.*

i. Redemptions

Funds that primarily invest in Long-Term Assets must address the liquidity risk of holding illiquid assets. Liquidity risk results from a mismatch between the funds' obligations to manage portfolio liquidity against the liquidity needs of securityholders. While redemption restrictions will help funds manage their liquidity, more onerous redemption restrictions will make investments in OLTFs less attractive to investors, counter to the objective of allowing retail investors to benefit from the opportunity to access Long-Term Assets through investment fund structures.

Our view is that redemption restrictions should be permitted to the extent necessary for OLTFs to manage their liquidity and reporting needs given the profile of a fund and the characteristics of the Long-Term Assets held by the fund. We think redemptions should be no more frequent than monthly and no less frequent than annually, but rather than specify a redemption frequency for all OLTFs, we would specify a range and permit OLTFs to choose a frequency within that range. As a result, redemption frequency could be limited to monthly, quarterly, semi-annually, or annually. Longer frequencies would benefit OLTF liquidity management. Shorter frequencies would benefit the liquidity preferences of investors. The frequency of NAV calculations would need to be aligned with the timing of redemptions.

Redemptions could be permitted to be made at a discount to NAV. Under the Proposal, OLTFs would be allowed to charge investors the actual costs incurred to administer a redemption. Those charges would be for the benefit of the fund.¹⁴

In addition to limits on redemption frequency, OLTFs could be permitted to cap total redemptions per period (as a percentage of NAV). We think a cap of 10% per annum should be sufficient for liquidity management purposes and, under the Proposal, this would be the lowest permissible redemption cap. Our view is that the Proposal would include a requirement that the OLTf be wound up if annual redemption requests exceed the cap for two consecutive years.

Investors could be required to provide advance notice of their intent to redeem. A longer period would benefit OLTf liquidity management. A shorter period would benefit the liquidity preferences of investors. The Proposal would specify a maximum notice period of 30 days with each OLTf having the flexibility to set a shorter period as appropriate.

Investment funds must pay redemption proceeds within a brief time after the date on which the redemption price was established.¹⁵ OLTfs could have difficulty meeting a short deadline and may require a longer period to calculate NAV, calculate individual redemptions, and make payment to redeeming unitholders. Under the Proposal, OLTfs would pay redemption proceeds no later than 15 days after a valuation date.

Temporary liquidity mismatches could result in a need to suspend periodic redemptions. OLTfs could be allowed to suspend periodic redemptions for a specified period where it is in the best interest of the fund. Beyond a temporary period, the suspension of periodic redemptions suggests that a fund should be wound up. Under the Proposal, OLTf redemption suspensions beyond the temporary period would be permitted only pursuant to the approval of the OSC (and an independent board of directors, if applicable).

There may be a market for fixed-term OLTfs with even greater restrictions on securityholder redemption rights.¹⁶ Redemptions could be restricted during the ramp-up period, which could be for a set period (e.g., one, two, or three years) or only for as long as it takes for a fund to substantially deploy proceeds from its initial public offering into one or more CIVs. Fixed-term OLTfs could be required to return proceeds to investors to the extent not substantially deployed by the end of the ramp-up period. Fixed-term funds could be required to return proceeds after each CIV exit or only on fund termination. Our view is that the Proposal would allow for fixed-term OLTfs with no or very restrictive redemption rights.

Q9. Please explain your views on each of the following redemption features:

- (i) Frequency.*
- (ii) Discounts.*

¹⁴ For example, interval funds are permitted to deduct a redemption fee that is not more than 2% of the proceeds, which is intended to compensate the fund for redemption expenses. See, section ii of Appendix A, below.

¹⁵ Subsections 10.4(1), (1.1) and (1.2) of NI 81-102.

¹⁶ The European long-term investment fund framework contemplates a fixed term structure. See, section iv of Appendix A, below.

(iii) *Caps.*

(iv) *Notice.*

(v) *Payment.*

(vi) *Suspensions.*

Q10. *What are the minimum redemption restrictions OLTFs would need to effectively manage their liquidity?*

Q11. *Could there be investor demand for fixed-term OLTFs that do not offer any or very restrictive redemption rights to their securityholders? Please explain.*

Q12. *Are there other redemption issues the Proposal should consider? Please explain.*

ii. Valuation (NAV)

The fair value of OLTF portfolio assets cannot be based on reported prices and quotations in active markets because Long-Term Assets will not be publicly traded.¹⁷ While the degree of difficulty in calculating fair and reasonable values will vary depending on the type of Long-Term Assets to be held by an OLTF, valuation will be challenging in most cases. Consequently, we think OLTFs would have difficulty calculating NAV on a continuous basis. This would also support an argument for less frequent sales and redemptions as OLTFs would be required to calculate NAV on the same frequency.

Despite these challenges, we think an experienced IFM should have the ability (or access to expert advisory resources) to calculate a fair and reasonable price for individual Long-Term Assets. Assuming Long-Term Assets are held through a CIV, the presence of Cornerstone Investors should facilitate or provide external evidence that the process of valuing a particular Long-Term Asset is fair and reasonable. Under the Proposal, OLTFs would also be subject to a requirement to obtain an independent valuation at least as frequently as at the end of each annual financial reporting period.¹⁸ The need for additional independent valuations could depend on factors such as the frequency of purchases and redemptions, as well as the characteristics of the OLTF's underlying assets.

The timing of OLTF NAV calculations could be adversely affected by mismatches with the valuation frequencies of certain Long-Term Assets. This may be the case for OLTFs holding pools of private loans, real estate, or mortgages. Similarly, the timing of OLTF NAV calculations could be adversely affected by the financial reporting periods of certain Long-Term Assets or CIVs. This might be the case for OLTFs holding private equities or continuing interests in infrastructure projects. We think that the presence of experienced IFMs, Cornerstone Investors, and independent valuations would mitigate the difficulties OLTFs would face in calculating NAV and bolster confidence in the valuation of their portfolio assets.

¹⁷ Disclosure of the current value of a portfolio asset is set out in section 3.5 of National Instrument 81-106 *Investment Fund Continuous Disclosure (NI 81-106)*. The calculation of NAV is set out in Part 14 of NI 81-106. Publicly traded investments would not be illiquid assets as defined in section 1.1 of NI 81-102.

¹⁸ Similar to the requirements for labour sponsored or venture capital funds under Part 8 of NI 81-106.

For fixed-term OLTFS that offer no redemption rights to their securityholders, there may not be a need to calculate NAV other than for performance reporting and financial reporting purposes. This assumes that semi-annual reporting would be sufficient for investors to evaluate the performance of these types of OLTFS.

Q13. Should OLTFS only be required to calculate NAV as often as the frequency of distributions and redemptions in addition to financial reporting periods? Please explain.

Q14. Please explain if any of the following mitigate the difficulties of calculating fair and reasonable NAVs for Long-Term Assets:

(i) Experienced IFMs.

(ii) Independent boards of directors (or an independent review committee with enhanced supervisory powers additional to reviewing conflict of interests).

(iii) Cornerstone Investors.

(iv) Independent valuers.

Q15. Are there other valuation issues the Proposal should consider? Please explain.

iii. Monitoring, Review and Governance

OLTFS would be exposed to atypical risks, including the liquidity, volatility, concentration, duration, and informational risks of holding Long-Term Assets. OLTFS would also have unique challenges such as the need to manage the mismatch between the funds' liquidity and the liquidity needs of their securityholders. In addition to the requirements applicable to other investment funds, including the requirements set out in National Instrument 81-107 *Independent Review Committee for Investment Funds*, which require reporting issuer investment funds to establish an independent review committee to review conflict of interest matters of the fund, other monitoring, review and governance requirements could provide investors with some assurance that these atypical risks and challenges are appropriately managed. Noting that OLTFS will be considered investment funds for the purposes of Ontario securities legislation, we think that OLTFS requirements would include a requirement

1. for OLTFS to be structured as corporations and to have an independent board of directors,¹⁹
2. for the independent board of directors to address matters concerning the OLTFS, including conflicts of interest,²⁰
3. for IFMs to disclose how they manage a portfolio of Long-Term Assets in the best interests of an OLTFS and its securityholders,

¹⁹ We acknowledge that an independent board requirement means OLTFS would have to be organized as a corporation. Alternatively, the Proposal could require an independent review committee with enhanced supervisory powers additional to reviewing conflict of interests.

²⁰ If an OLTFS would be required to have an independent board of directors, it may also need to have an audit committee.

4. that IFMs disclose their assessment of whether Long-Term Assets are fairly valued in respect of NAV calculations, and
5. to obtain independent valuations of Long-Term Assets.

The Proposal would require that each OLTF be managed by an IFM, with the OLTF's portfolio assets selected and monitored by a PM. The Proposal could also require that the experience of each OLTF's IFM and PM in investing in the Long-Term Assets held by the OLTF be disclosed.

Our view is that the Proposal would require that OLTFs invest in Long-Term Assets through a CIV. The responsibility for due diligence on each CIV would be the responsibility of each OLTF's IFM, PM, and, if applicable, independent board of directors. Co-investing with Cornerstone Investors through a CIV could also provide investors with another layer of comfort regarding management of an investment in each Long-Term Asset held by an OLTF.

Q16. Please provide your views on whether, given its unique purpose and structure, an OLTF should only have a majority-independent board of directors and no independent review committee or alternatively, whether it should have an independent review committee with enhanced supervisory powers additional to reviewing conflict of interests. Also, could an OLTF also be organized as another type of entity, such as a trust with a majority-independent board of trustees?

Q17. Are there other monitoring, review and governance requirements the Proposal should consider? Please explain.

iv. Disclosure

In our view, the Proposal would set out a new prospectus form for OLTFs. Though it could be based on Form 41-101F2 *Information Required in an Investment Fund Prospectus*, the new prospectus form would require disclosure of the features and risks unique to each OLTF, including disclosure

1. of investment objectives and strategies that fully explain the OLTF's plan to invest in specific Long-Term Assets,
2. that securityholders of the OLTF should have a long-term investment horizon and should not hold more than a small percentage of a well-balanced diversified portfolio in OLTF securities,
3. of the impact of an investment in specific Long-Term Assets on the risks of an investment in the OLTF.
4. of any sale and redemption restrictions adopted by the OLTF to allow the OLTF to manage its liquidity given its holdings of specific Long-Term Assets,
5. of any challenges in calculating NAV that the OLTF could experience due to it holding specific Long-Term Assets,
6. that the OLTF is required to invest in Long-Term Assets through CIVs, the nature of such CIVs, including the management of specific CIVs and the involvement of Cornerstone Investors, and expected CIV fees,
7. of any monitoring, review and governance requirements that differ from those for other types of investment funds,

8. of any investment restrictions that differ from those for other types of investment funds,
9. of the role of the IFM and PM,
10. of the expertise or experience the IFM and PM have with investing in the specific Long-Term Assets held by the OLTF, and
11. that the OLTF will not have any securities listed and traded on a marketplace and resale restrictions will apply to OLTF units so investors should only expect liquidity from limited periodic redemptions that may be at a discount to NAV.

The Proposal could include a new form of summary disclosure document for OLTFs that would be similar to the Fund Facts, which would be delivered prior to the distribution of OLTF units to investors. The new form of Fund Facts could be modified to require disclosure of the key features of each OLTF, including the disclosure items above.

The Proposal could include a new form of Management's Report of Fund Performance (**MRFP**), which should be filed each reporting period along with semi-annual financial statements. The MRFP for OLTFs should be tailored towards explaining each OLTF's financial results, specifically focusing on the valuation of Long-Term Assets held by the OLTF.

Under the Proposal, OLTFs would be required to include "Ontario Long-Term Fund" in their name and only funds that comply with all OLTF requirements would be permitted to use this name.

Q18. Should the Proposal require a new form of Fund Facts for OLTFs? Please explain.

Q19. Should the Proposal require a new form of MRFP for OLTFs? Please explain.

Q20. Are there other disclosure requirements the Proposal should consider? Please explain.

v. Investment restrictions

For OLTFs to invest in Long-Term Assets, the investment restrictions in Part 2 of NI 81-102 would have to be modified.

The Proposal contemplates a broad and inclusive definition of Long-Term Assets. In other words, OLTFs would be able to hold any illiquid asset including venture capital, private equity, private debt, mortgages, real estate, infrastructure, and natural resource and other projects. An OLTF would disclose the type of Long-Term Assets it holds and explain its investment objectives in respect of those Long-Term Assets. Given an expansive definition of Long-Term Assets, the restrictions in sections 2.3 and 2.4 of NI 81-102 would not apply to OLTFs. Rather, OLTFs would be required to invest between 50% and 90% of NAV in Long-Term Assets. The ceiling (whether 90% or less) could be tied to any limits on the redemption amount and should be sufficient for an OLTF to manage its liquidity needs. The floor (whether 50% or more) would be large enough to ensure that there is no material dilution of any illiquidity premium or diversification benefits of investing in Long-Term Assets. OLTFs that have more than 90% (or other appropriate ceiling) of their NAV in illiquid assets would be required to reduce their holdings within a reasonable time. Alternatively, rather than prescribing a minimum and maximum liquidity percentage, the Proposal could provide OLTFs with the ability to set their own liquidity parameters so long as there is

alignment between such liquidity parameters and the OLF's redemption policy and anticipated redemptions to minimize the risk of liquidity mismatches.

The Proposal would require that OLFs hold Long-Term Assets through one or more CIVs. A CIV would be defined as any issuer that has the primary purpose of investing in one or more Long-Term Assets. Ownership by OLFs in any one CIV would be limited to 10% of the CIV's equity. A CIV would have to include one or more Cornerstone Investors who hold at least 10% of the CIV's equity and who must be a "permitted client" as defined in section 1.1 of National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations* (or fall within specific categories of a permitted client).²¹ The purpose of a CIV requirement would be to enable retail investors to invest alongside Cornerstone Investors. A CIV requirement may be better suited to fixed-term OLFs investing in infrastructure or other development projects. The exit rights of Cornerstone Investors would be proportional to the exit rights of OLFs.

Under the Proposal, OLFs would be subject to concentration restrictions to optimize the diversification benefits of holding Long-Term Assets through investment fund product structures.²² Evergreen OLFs investing in pools of private equity, private credit, or real estate would be subject to a requirement that not more than 10% of their NAV be invested in any one asset. Fixed-term OLFs investing in infrastructure or other development projects could be subject to a requirement that, after a ramp-up period, no more than 20% of their NAV be invested in any one asset. These concentration restrictions would apply across all CIVs held by the OLF. In other words, OLFs could invest in just one CIV if its holdings of Long-Term Assets comply with these concentration restrictions or OLFs could invest in multiple CIVs even if each CIV does not comply with these concentration restrictions provided that the OLF's portfolio as a whole complies.

Our initial view is that OLFs' debts would be limited to 10% of their most recent NAV at the time of borrowing. OLFs should not take on additional leverage though an exception for temporary liquidity management may be necessary. Similarly, OLFs would not be permitted to: (i) hold, or enter into, transactions that involve specified derivatives, except when used for hedging purposes; (ii) enter into any securities lending transactions in respect of its holdings of Long-Term Assets; or (iii) enter into purchase or repurchase transactions in respect of its holdings of Long-Term Assets.

Q21. Please explain your views on each of the following investment restrictions:

- (i) Minimum level of Long-Term Assets.*
- (ii) Minimum level of liquid assets (maximum level of Long-Term Assets).*
- (iii) Concentration restrictions for evergreen OLFs investing in pools of Long-Term Assets.*
- (iv) Concentration restrictions for fixed-term OLFs investing in infrastructure or other development projects.*

²¹ We acknowledge that this may mean that there would have to be restrictions on the ability of Cornerstone Investors to exit their investment in a CIV.

²² Similar to section 2.1 of NI 81-102.

- (v) *Concentration restrictions if there is a CIV requirement.*
 - (vi) *Limitations on debt, leverage, the use of specified derivatives, securities lending transactions and purchase or repurchase transactions.*
- Q22. *Are there other investment restrictions the Proposal should consider? Please explain.*

vi. Distribution

Under the Proposal, OLTF securities would be made available through investment dealers overseen by the Canadian Investment Regulatory Organization (CIRO), and/or portfolio manager registered with Canadian securities regulators. Where the OLTF is a mutual fund, OLTF securities may be distributed by mutual fund dealers that distribute alternative mutual funds. Suitability, “know-your-client” (KYC) and “know-your-product” (KYP) requirements would generally apply, except in the case of purchases made through order-execution-only dealers. Given the unique features of OLTFs we think it would be appropriate to restrict access through order-execution-only dealers. Alternatively, a self-assessment questionnaire could be used to assist investors in determining whether investing in an OLTF would be appropriate for their individual circumstances. This could include an explanation that holding more than 10% of their investments in Long-Term Assets is highly risky and not advised.

Additionally, we query whether there should be specific requirements in place to highlight liquidity limitations of the product and the specific redemption features that might apply. As noted above, tailored disclosure requirements that address the unique features of OLTFs would be incorporated into offering documents that are delivered to investors. This could be supplemented with a requirement for investor to specifically acknowledge that investing in OLTFs is generally not appropriate for investors with short term investment horizons, or that need the ability to liquidate their investment on demand.

- Q23. *Please explain your views on each of the following distribution matters:*
- (i) *Should there be limits on the amount that an investor can invest? If so, what should the limits be?*
 - (ii) *Should a purchaser be required to receive investment advice from an adviser in order to invest in an OLTF? Should OLTF units be available through order-execution-only channels?*
- Q24. *Are there other distribution matters, specifically other investor protection mechanisms, the Proposal should consider? Please explain.*

IV. Comments and submissions

We invite participants to provide input on the issues outlined in this public Consultation Paper. You may provide written comments in hard copy or electronic form. The consultation period expires **February 7, 2025**.

We will publish all responses received on our website (www.osc.gov.on.ca). Therefore, you should not include personal information directly in comments to be published. It is important that you state on whose behalf you are making the submission.

Please submit your comments in writing on or before **February 7, 2025**. Please send your comments by email in Microsoft Word format.

Please address your submission to the Ontario Securities Commission.

Please deliver your comments to:

The Secretary

Ontario Securities Commission

20 Queen Street West

22nd Floor

Toronto, Ontario M5H 3S8

Fax: 416-593-2318

E-mail: comments@osc.gov.on.ca

V. Questions

Please refer your questions to any of the following:

Michael Tang

Senior Legal Counsel, Investment Management Division, OSC

416-593-2330

Email: mtang@osc.gov.on.ca

Stephen Paglia

Manager, Investment Management Division, OSC

416-593-2393

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APPENDIX A

Other Long-Term Asset Frameworks

The following are existing Long-Term Asset frameworks that have been developed in Canada and other jurisdictions that we considered in developing the Proposal.

i. U.S. Business Development Corporations

The framework for Business Development Corporations (**BDCs**) was created in the United States in 1980 to encourage the establishment of public vehicles to invest in privately owned, small- and medium-sized companies that are unable to obtain financing through traditional means.²³ BDCs are closed-end funds that are a hybrid between an operating and investment company. At least 70% of a BDC's assets must be invested in an "eligible portfolio company". BDCs must make significant managerial assistance available to their portfolio investments.

BDC requirements include investment and diversification requirements but permit the underlying assets to be publicly traded securities. Many BDCs are exchange listed, providing secondary market liquidity to investors.

Other public BDCs provide liquidity through periodic (typically quarterly) redemptions. Retail investors have access to exchange-listed BDC and retail investors who meet certain requirements may invest in BDCs that are not exchange-traded. Underlying assets must be valued on a quarterly basis. Determining fair value for assets without a market price is left to the discretion of the BDC's board of directors (within the framework of fair value accounting principles).

ii. U.S. and Canadian Interval funds

In the United States, an interval fund is a closed-end fund permitted to hold illiquid assets.²⁴ U.S. interval funds may continuously offer shares at net asset value (**NAV**) and must offer periodic (quarterly, semi-annually, or annually) redemptions to shareholders for between 5% and 25% of its shares at NAV. Shareholders must provide advanced notice of their intent to redeem. The redemption price is set after the receipt of this notice and payment generally takes place within 14 days after pricing. Interval funds are permitted to deduct a redemption fee that is not more than 2% of the proceeds, which is intended to compensate the fund for redemption expenses. Shares of U.S. interval funds do not trade on a secondary market.

U.S. tender offer funds are like U.S. interval funds, but redemptions are at the discretion of the board of directors rather than on specified periodic dates.

While neither U.S. interval funds nor U.S. tender offer funds are prohibited from holding illiquid assets, liquidity restrictions generally apply to them during the period between the notice of redemption and redemption pricing dates. No liquidity restrictions apply to U.S. tender offer funds other than the ability to fulfill tenders "promptly".

²³ The regulations permitting US BDCs are set out under the Investment Company Act of 1940.

²⁴ The regulations permitting interval funds in the United States are set out under Rule 23c-3 of the Investment Company Act of 1940.

In January 2021, the Ontario Capital Markets Modernization Taskforce recommended that the OSC consider establishing a regime for a retail private equity investment fund based on the interval fund concept in the United States.²⁵ The Taskforce noted that limited redemption rights would allow portfolio managers to take a longer-term investment view and take advantage of investing in less liquid, potentially higher-return asset classes that may not be suitable for a conventional mutual fund offering daily liquidity.

On January 24, 2022, the OSC, as principal regulator, granted exemptive relief to an IFM to operate an interval fund.²⁶

Among other things, the decision permits the interval fund to invest up to 90% of its NAV in illiquid assets. The decision also permits the fund to pay redemption proceeds pursuant to a quarterly redemption for the pro rata units above 5% of the fund's outstanding units at NAV. The fund's unitholders have at least 21 calendar days to provide notice of their intent to redeem.

The month-end NAV must be calculated no later than seven business days following each applicable redemption valuation date and redemption proceeds must be paid to unitholders no later than nine business days following the redemption valuation date. The illiquid assets, indirectly held by the fund, must be valued monthly by an independent and reputable valuation firm.

If the fund receives redemption requests in excess of 5% of its NAV for eight consecutive redemption periods or the illiquid asset is more than 90% of the fund's assets, the fund is required to undertake an orderly wind-up.

The fund is subject to concentration and control limits and fund units may only be distributed through investment dealers.

iii. United Kingdom Long-term Asset Fund

The United Kingdom Financial Conduct Authority (**FCA**) published Policy Statement PS 21/14 (**Policy Statement 21/14**) in October 2021 to establish an open-ended fund (**LTAF**) designed to facilitate investment in long-term, illiquid assets.²⁷ The LTAF regime aims to address challenges faced by investors seeking exposure to these asset classes while providing appropriate safeguards, oversight, and other investor protection measures.

To ensure greater consistency between the liquidity of the fund's assets and its redemption terms, LTAFs are not permitted to redeem more frequently than monthly, and investors are required to provide at least a 90-day notice period for redemptions. To address the risks of investing in LTAF, Policy Statement 21/14 includes enhanced governance and disclosure requirements. The open-ended structure with redemption restrictions seeks to balance investor liquidity needs with the illiquid nature of the

²⁵ Ontario Capital Markets Modernization Taskforce, Final Report (January 2021), Recommendation 37: Introduce a retail investment fund structure that pursues investment strategies in less liquid private equity and debt markets, including early-stage businesses, p. 65-66.

²⁶ Mackenzie Financial Corporation et al. (Re), 2022 ONSEC 1 (24 January 2022).

²⁷ The Financial Conduct Authority (FCA), Policy Statement PS21/14: A new authorised fund regime for investing in long-term assets, 25 October 2021.

underlying assets. LTAF must invest more than 50% of their assets in unlisted securities and other long-term, illiquid assets.

LTAFs were originally only available to institutional investors. In June 2023, the FCA published Policy Statement PS 23/7 (**Policy Statement 23/7**) to extend the LTAF regime by, among other things, permitting access by retail investors.²⁸ Under Policy Statement 23/7, LTAF may offer units to retail investors if prescribed risk warnings and summaries are provided to them.

Under Policy Statement 23/7, LTAF distributing units to retail investors must be managed by a full-scope United Kingdom Alternative Investment Fund Manager. Such firms will also need to appoint at least two independent directors.

Advised retail investors will benefit from suitability assessments. Unadvised retail investors must confirm that their exposure to LTAFs is less than 10% of investible assets.

iv. European Long-term Investment Fund

The European Union published its Regulation on European Long-term Investment Funds (the **ELTIF Regulation**) in May 2015 to establish a new investment vehicle, a European Long-term Investment Fund (**ELTIF**) for investors across the European Union.²⁹

An ELTIF must, among other things, be managed by a European Union Alternative Investment Fund Manager and invest at least 70% of its capital in eligible investment assets. Generally, an ELTIF may invest in long-term assets such as small and medium-sized enterprises and in the development and operation of infrastructure, public buildings, social infrastructure, transport, sustainable energy, and communications infrastructure.

ELTIFs do not offer ongoing redemption rights. Rather, cash is returned at the end of the product's life. The expected end of life date is disclosed in advance to investors.

ELTIFs must not engage in short selling and must observe strict limits on its use of leverage and derivatives. ELTIFs are also subject to many investor protection provisions, including disclosure, suitability, diversification, and concentration requirements. The ELTIF Regulation prescribes limits on the percentage of a retail investor's portfolio that may be invested in an ELTIF.

In March 2023, the ELTIF Regulation was amended to broaden the scope of eligible investment assets, reduce certain investment thresholds, and remove barriers to participation from retail investors.³⁰ Of note, the amendments lowered the minimum threshold for eligible investment assets to 55% of capital and permitted early-exit provisions, subject to the requirement that there be a policy for matching potential investors and exit requests.

²⁸ Financial Conduct Authority (FCA), Policy Statement PS 23/7: Broadening retail and pensions access to the long-term asset fund, 12 June 2023.

²⁹ Regulation (EU) 2015/760 of the European Parliament and the Council of 29 April 2015 on European long-term investment funds (OJ L 123, 19.5.2015, p. 98-121).

³⁰ Regulation (EU) 2023/606 of the European Parliament and the Council of 15 March 2023 amending Regulation (EU) 2015/760 as regards the requirements pertaining to the investment policies and operating conditions of European long-term investment funds and the scope of eligible investment assets, the portfolio composition and diversification requirements and the borrowing of cash and other fund rules (OJ L 80, 20.3.2023, p. 1-23).

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B.1.2 Notice of Ministerial Approval of Amendments to OSC Rule 91-507 Trade Repositories and Derivatives Data Reporting and Consequential Amendments to OSC Rule 13-502 Fees

**NOTICE OF MINISTERIAL APPROVAL OF
AMENDMENTS TO
ONTARIO SECURITIES COMMISSION RULE 91-507
TRADE REPOSITORIES AND DERIVATIVES DATA REPORTING
AND CONSEQUENTIAL AMENDMENTS TO
ONTARIO SECURITIES COMMISSION RULE 13-502 *FEES***

October 10, 2024

The Minister of Finance has approved amendments to Ontario Securities Commission (**OSC**) Rule 91-507 *Trade Repositories and Derivatives Data Reporting* and consequential amendments to OSC Rule 13-502 *Fees* (collectively, the **Amendments**) pursuant to section 143.3 of the *Securities Act*.

In connection with the Amendments, the OSC also adopted changes to Companion Policy 91-507CP to OSC Rule 91-507 *Trade Repositories and Derivatives Data Reporting*, Companion Policy 91-506CP to OSC Rule 91-506 *Derivatives: Product Determination*, and Companion Policy 13-502CP to OSC Rule 13-502 *Fees* (collectively, the **Changes**).

The Amendments and Changes were published in the Bulletin on July 25, 2024 at (2024), 47 OSCB (Supp-1) and on the OSC website at www.osc.ca. The Amendments and Changes will come into force on July 25, 2025.

The full text of the Amendments is reproduced in Chapter 5 of this Bulletin.

B.2 Orders

B.2.1 Argonaut Gold Inc.

Headnote

National Policy 11-206 Process for Cease to be a Reporting Issuer Applications – application for an order that the issuer is not a reporting issuer under applicable securities laws – issuer does not satisfy the conditions for the simplified procedure in NP 11-206 – issuer is in default of securities legislation for failure to file interim continuous disclosure filings – following a plan of arrangement, all of the issuer's securities are held by the public acquiror.

Applicable Legislative Provisions

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

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

AND

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

AND

IN THE MATTER OF
ARGONAUT GOLD INC.
(the Filer)

ORDER

Background

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

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

- a) the Ontario Securities Commission is the principal regulator for this application, and
- b) the Filer has provided notice that subsection 4C.5(1) of Multilateral Instrument 11-102 *Passport System* (**MI 11-102**) is intended to be relied upon in British Columbia, Alberta, Saskatchewan, Manitoba, Québec, New Brunswick, Nova Scotia, Prince Edward Island, Newfoundland and Labrador, Northwest Territories, Yukon and Nunavut.

Interpretation

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

Representations

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

1. The Filer is a corporation existing under the *Business Corporations Act* (Ontario) (the **OBCA**) and its head office is located at 200 Bay Street, Suite 1302, Toronto, Ontario, M5J 2J3.

2. The Filer is a reporting issuer in each of the provinces and territories of Canada.
3. The authorized capital of the Filer consists of an unlimited number of common shares (the **Argonaut Shares**), of which 1,278,776,190 Argonaut Shares were issued and outstanding as at September 10, 2024. The Argonaut Shares were listed for trading on the Toronto Stock Exchange (the **TSX**) under the symbol "AR" until their de-listing at the close of business on July 16, 2024.
4. On March 27, 2024, the Filer entered into an arrangement agreement with Alamos Gold Inc. (**Alamos**), as amended on May 24, 2024 (the **Arrangement Agreement**), to complete a transaction (the **Arrangement**) by way of statutory plan of arrangement under section 182 of the OBCA (the **Plan of Arrangement**) pursuant to which: (i) Alamos would acquire all of the issued and outstanding Argonaut Shares; and (ii) certain American and Mexico based assets of the Filer would be spun out to shareholders of the Filer. Alamos and the Filer issued a joint news release on the same date publicly announcing the Arrangement.
5. The Arrangement was approved by shareholders of the Filer (**Argonaut Shareholders**) at a special meeting that took place on June 28, 2024 to consider the Arrangement (the **Meeting**), in accordance with the interim order of the Ontario Superior Court of Justice (Commercial List) (the **Court**) dated May 24, 2024. The management information circular and related meeting materials distributed in connection with the Meeting included prospectus-level disclosure of the business and affairs of each of Alamos and the Filer and information regarding the Arrangement.
6. On July 5, 2024, Alamos and the Filer received the final order of the Court pursuant to section 182 of the OBCA, approving the Arrangement. The Arrangement became effective at 3:01 a.m. (Toronto time) on July 12, 2024 (the **Effective Time**).
7. Pursuant to the Arrangement:
 - (a) the Filer's assets in the United States and Mexico were spun out to former Argonaut Shareholders as a newly-created junior gold producer named Florida Canyon Gold Inc. (**SpinCo**) and former Argonaut Shareholders received one (1) Class A common share in the capital of the Filer created pursuant to the Plan of Arrangement (each, an **Argonaut Class A Share**) and 0.1 of a common share of SpinCo in exchange for each Argonaut Share held;
 - (b) each restricted share unit granted under, or governed by, the Filer's incentive plan (an **Argonaut RSU**) that had vested prior to the Effective Time was redeemed and cancelled, in exchange for such number of fully-paid Argonaut Shares as were due to such holders under the terms of the Filer's incentive plan (less any amounts withheld in accordance with the Plan of Arrangement);
 - (c) each deferred share unit granted under, or governed by, the Filer's incentive plan immediately vested, and upon such vesting was immediately redeemed and cancelled, in exchange for such number of fully-paid Argonaut Shares as were due to such holder under the terms of the Filer's incentive plan (less any amounts withheld in accordance with the Plan of Arrangement);
 - (d) holders of Argonaut Class A Shares received 0.0185 of a Class A common share of Alamos (each whole share, an **Alamos Share**) in exchange for each Argonaut Class A Share held;
 - (e) each option to purchase an Argonaut Share (an **Argonaut Option**) outstanding prior to the Effective Time was exchanged for a replacement option (a **Replacement Option**) to acquire 0.0185 of an Alamos Share for each Argonaut Share that was the subject of such Argonaut Option prior to the Effective Time;
 - (f) each Argonaut RSU that had not vested prior to the Effective Time was adjusted such that the holders of Argonaut RSUs are entitled upon vesting to receive 0.0185 of an Alamos Share for each Argonaut Share that was the subject of such Argonaut RSUs; and
 - (g) each performance share unit granted under, or governed by, the Filer's incentive plan (an **Argonaut PSU**) that had not vested prior to the Effective Time expired with no consideration. There were no Argonaut PSUs outstanding immediately prior to the Effective Time that had vested prior to the Effective Time.
8. As at the Effective Time, the Filer had outstanding a class of 4.625% senior unsecured convertible debentures (the **Argonaut Debentures**) listed on the TSX. The Argonaut Debentures remained outstanding following the completion of the Arrangement.
9. As a result of the Arrangement, Alamos ultimately assumed the obligations of the Filer under the Argonaut Debentures and the indenture governing the Argonaut Debentures (the **Indenture**). As required under the terms of the Indenture, Alamos entered into a supplemental debenture indenture with Computershare Trust Company of Canada (the **Debenture Trustee**) and the Filer (the **Supplemental Indenture**) providing, among other things, that: (i) from and after the Effective Time, the Argonaut Debentures entitled the holder thereof to receive, upon exercise in accordance with the terms thereof,

in lieu of the number of Argonaut Shares otherwise issuable upon exercise under the Indenture, such number of Alamos Shares at an adjusted conversion price; and (ii) Alamos assumed the Filer's obligations under the Argonaut Debentures and the Indenture.

10. As Alamos had acquired 100% of the equity of the Filer, the terms of the Indenture required that Alamos make an offer to purchase (the **Debenture Offer**), for cash, all of the Argonaut Debentures at a price equal to 100% of the principal amount of Argonaut Debentures, together with accrued and unpaid interest thereon up to, but excluding, the debenture take-up date (the **Offer Price**). The Indenture required that the Debenture Offer be made within 30 days of the completion of the Arrangement. Alamos made the Debenture Offer on July 24, 2024. The Debenture Offer was open for acceptance for 35 days in accordance with the terms of the Indenture, and expired on August 28, 2024 at 5:00 p.m. (Toronto time), with a take-up and payment date of September 3, 2024.
11. On August 28, 2024 at 5:00 p.m. (Toronto time), the Debenture Offer expired. Holders of Debentures with an aggregate principal amount of US\$52,577,000 (the **Tendered Argonaut Debentures**), representing approximately 91.4% of the total principal amount of Debentures outstanding, tendered to the Debenture Offer. Shortly thereafter, Alamos determined that it would redeem (the **90% Redemption**) all of the outstanding Argonaut Debentures that were not tendered to the Debenture Offer (the **Untendered Argonaut Debentures**). In accordance with the Indenture, the Untendered Argonaut Debentures were to be redeemed for a redemption price equal to the Offer Price, being 100% of the principal amount of the Untendered Argonaut Debentures, together with accrued and unpaid interest thereon up to, but excluding, September 3, 2024 (the **Redemption Price**).
12. On September 3, 2024, the Filer purchased all of the Tendered Argonaut Debentures for the Offer Price. On September 3, 2024, in connection with the 90% Redemption, the Filer:
 - (a) provided a notice of exercise of the 90% redemption right under the Indenture (the 90% Redemption Notice) to the Debenture Trustee, which provided the 90% Redemption Notice to holders of the Untendered Argonaut Debentures;
 - (b) filed a copy of the 90% Redemption Notice on its issuer profile on SEDAR+;
 - (c) deposited the aggregate Redemption Price with the Debenture Trustee; and
 - (d) issued a news release publicly announcing that more than 90% of the Argonaut Debentures had been tendered to the Debenture Offer and that the Filer was providing notice of the 90% Redemption pursuant to the Indenture.
13. In connection with the 90% Redemption, effective as of the close of business on September 3, 2024, the Argonaut Debentures were delisted from the TSX.
14. On September 6, 2024, all of the Untendered Argonaut Debentures were surrendered to the Debenture Trustee, the Redemption Price was paid by the Debenture Trustee to the holders of the Untendered Argonaut Debentures and all of the Argonaut Debentures ceased to be outstanding in accordance with the terms of the Indenture.
15. The Filer is not an OTC reporting issuer under Multilateral Instrument 51-105 *Issuers Quoted in the U.S. Over-the-Counter Markets*.
16. 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 fewer than 51 securityholders in total worldwide.
17. No securities of the Filer, including debt securities, are traded in Canada or another country on a marketplace as defined in National Instrument 21-101 *Marketplace Operation* or any other facility for bringing together buyers and sellers of securities where trading data is publicly reported.
18. The Filer is not in default of securities legislation in any jurisdiction, except for its failure to file on or before August 14, 2024 its interim financial report and related interim management's discussion analysis for its interim period ended June 30, 2024, as required under National Instrument 51-102 *Continuous Disclosure Obligations*, and related certificates as required under National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings* (collectively, the **Q2 Defaults**).
19. The Filer would be eligible to surrender its status as a reporting issuer pursuant to the simplified procedure under section 19 of National Policy 11-206 *Process for Cease to be a Reporting Issuer Applications* but for the Q2 Defaults.
20. The Filer has no intention to seek public financing by way of an offering of securities.
21. The Filer is applying for an order that it has ceased to be a reporting issuer in all of the jurisdictions of Canada in which it is currently a reporting issuer.

B.2: Orders

22. The Filer is not required to obtain any consents or approvals to cease to be a reporting issuer in any jurisdiction, other than the Order Sought.
23. Upon the granting of the Order Sought, the Filer will not be a reporting issuer or the equivalent in any jurisdiction of Canada.

Order

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

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

DATED at Toronto on this 1st day of October, 2024.

“Lina Creta”
Manager, Corporate Finance
Ontario Securities Commission

OSC File #: 2024/0532

B.2.2 Osino Resources Corp.

Headnote

Multilateral Instrument 11-102 Passport System and National Policy 11-206 Process for Cease to be a Reporting Issuer Applications – Securities Act s. 88 Cease to be a reporting issuer in BC – The securities of the issuer are beneficially owned by not more than 50 persons and are not traded through any exchange or market – The issuer is not an OTC reporting issuer; the securities of the issuer are beneficially owned by fewer than 15 securityholders in each of the jurisdictions of Canada and fewer than 51 securityholders worldwide; no securities of the issuer are traded on a market in Canada or another country; the issuer is not in default of securities legislation.

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

Applicable Legislative Provisions

Securities Act, R.S.B.C. 1996, c. 418, s. 88.
Securities Act, R.S.O. 1990, c. S.5, as am., s. 1(10)(a)(ii).

Citation: 2024 BCSECCOOM 427

October 3, 2024

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

AND

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

AND

**IN THE MATTER OF
OSINO RESOURCES CORP.
(the Filer)**

ORDER

Background

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

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

- (a) the British Columbia Securities Commission is the principal regulator for this application,
- (b) the Filer has provided notice that subsection 4C.5(1) of Multilateral Instrument 11-102 *Passport System* (MI 11-102) is intended to be relied upon in Alberta, Manitoba, New Brunswick, Newfoundland and Labrador, Nova Scotia, Prince Edward Island and Saskatchewan, and
- (c) this order is the order of the principal regulator and evidences the decision of the securities regulatory authority or regulator in Ontario.

Interpretation

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

Representations

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

Order

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

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

“Victoria Steeves”
Acting Chief, Legal Services, Corporate Finance
British Columbia Securities Commission

OSC File #: 2024/0531

B.3 Reasons and Decisions

B.3.1 HIFM Limited

Headnote

Application to the Ontario Securities Commission for a decision to exempt from the dealer registration requirement and the prospectus requirement, in sections 25(1) and 53(1) of the Securities Act, in connection with certain trades in over-the-counter (OTC) derivatives with “permitted counterparties”, consisting exclusively of persons or companies who are “permitted clients” as defined in Section 1.1 of National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations – Relief sought in Ontario as interim response to current regulatory uncertainty associated with OTC derivatives in Canada – Relief subject to sunset condition that is (i) the date that is four years after the date of the decision; and (ii) the coming into force in the jurisdiction of legislation or a rule that specifically governs dealer, adviser or other registration requirements applicable to market participants in connection with OTC derivative transactions.

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c.S.5, as am., ss. 25(1), 53(1), 74(1).

National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations, s. 1.1 (“permitted client”).

OSC Rule 13-502 Fees, Part 6 — Derivatives Participation Fees.

September 23, 2024

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

AND

**IN THE MATTER OF
HIFM LIMITED
(the Filer)**

DECISION

Background

The principal regulator in the Jurisdiction has received an application (the “**Application**”) from the Filer for a decision under the securities legislation of the Jurisdiction of the principal regulator (the “**Legislation**”) that the dealer registration requirement and the prospectus requirement in the Legislation that may otherwise be applicable to a trade in or distribution of an OTC Derivative transaction (as defined below) made by either

- (a) the Filer to a “Permitted Counterparty” (as defined below), or
- (b) by a Permitted Counterparty to the Filer,

shall not apply to the Filer or the Permitted Counterparty, as the case may be (the “**Requested Relief**”), subject to certain terms and conditions.

Interpretation

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

The terms “OTC Derivative” and “Underlying Interest” are defined in the Appendix (the “Appendix”) to this decision.

The term “Permitted Counterparty” means a person or company that is a “permitted client”, as that term is defined in section 1.1 of National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations* (NI 31-103).

Representations

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

The Filer

1. The Filer is a financial services firm that is authorized and regulated by the Financial Conduct Authority of the United Kingdom.
2. The Filer's head office is located in Berkshire, United Kingdom.
3. The Filer is registered in England and Wales under securities, commodity futures or derivatives legislation to offer, among other financial instruments, foreign currency exchange forwards and options on an over-the-counter basis to institutional customers.
4. The Filer is subject to and complies with the securities, commodity futures or derivatives legislation of the United Kingdom relating to OTC Derivative transactions.
5. The Filer is not currently registered in any capacity under the securities legislation of any jurisdiction in Canada. The Filer does not maintain an office, sales force or physical place of business in Canada.
6. The Filer is not currently relying on any exemption from a registration requirement under the securities legislation of any jurisdiction of Canada.
7. The Filer is not in default of securities, commodity futures or derivatives legislation in any jurisdiction in Canada.
8. The Filer is in compliance in all material respects with securities, commodity futures and derivatives laws of the United Kingdom.

Proposed conduct of OTC Derivative transactions

9. The Filer proposes to enter into bilateral OTC Derivative transactions with counterparties located in Ontario that consist exclusively of persons or companies that are Permitted Counterparties. The Filer understands that the Permitted Counterparties would be entering into the OTC Derivative transactions for hedging or investment purposes. The Underlying Interest of the OTC Derivatives that are entered into between the Filer and a Permitted Counterparty will consist of a commodity; an interest rate; a currency; a foreign exchange rate; a security; an economic indicator; an index; a basket; a benchmark; another variable; another OTC Derivative; or some relationship between, or combination of, one or more of the foregoing.
10. The Filer will not offer or provide credit or margin to any of its Permitted Counterparties for purposes of entering into an OTC Derivative transaction.
11. The Filer seeks the Requested Relief as an interim, harmonized solution to the uncertainty and fragmentation that currently characterizes the regulation of OTC Derivatives across Canada, pending the development of a uniform framework for the regulation of OTC Derivative transactions in all provinces and territories of Canada. The Filer acknowledges that registration and prospectus requirements may be triggered for the Filer in connection with the derivative contracts under any such uniform framework to be developed for the regulation of OTC Derivative transactions.

Regulatory uncertainty and fragmentation associated with the regulation of OTC Derivative transactions in Canada

12. There has generally been a considerable amount of uncertainty respecting the regulation of OTC Derivative transactions as "securities" in the provinces and territories of Canada other than Quebec.
13. In each of Prince Edward Island, the Northwest Territories, Nunavut and Yukon, OTC Derivative transactions are regulated as securities on the basis that the definition of the term "security" in the securities legislation of each of these jurisdictions includes an express reference to a "futures contract" or a "derivative".
14. In each of Alberta, British Columbia, Manitoba, New Brunswick and Saskatchewan, the defined term "security" no longer includes an express reference to a "futures contract". Following the introduction of a new framework and terminology for the regulation of derivatives, Alberta, British Columbia and Manitoba securities legislation now each include a definition of "derivative" and impose registration requirements in connection with dealing or trading derivatives.
15. In each of Newfoundland and Labrador, Nova Scotia, and Ontario, it is not certain whether, or in what circumstances, OTC Derivative transactions are "securities" because the definition of the term "security" in the securities legislation of each of these jurisdictions is a non-exhaustive definition that makes no express reference to a "futures contract" or a "derivative".

16. In October 2009, staff of the OSC published OSC Staff Notice 91-702 Offerings of Contracts for Difference and Foreign Exchange Contracts to Investors in Ontario (“**OSC Notice 91-702**”). OSC Notice 91-702 states that OSC staff take the view that contracts for differences, foreign exchange contracts and similar OTC Derivative products, when offered to investors in Ontario, engage the purposes of the *Securities Act* (Ontario) (“**OSA**”) and constitute “investment contracts” and “securities” for the purposes of Ontario securities law. However, OSC Notice 91-702 also states that it is not intended to address direct or intermediated trading between institutions. OSC Notice 91-702 does not provide any additional guidance on the extent to which OTC Derivative transactions between the Filer and a Permitted Counterparty may be subject to Ontario securities law.
17. In Quebec, OTC Derivative transactions are subject to the *Derivatives Act* (Quebec), which sets out a comprehensive scheme for the regulation of derivative transactions that is distinct from Quebec’s securities regulatory requirements.
18. In each of Alberta, British Columbia, Manitoba, New Brunswick, Nova Scotia and Saskatchewan (the “**Blanket Order Jurisdictions**”) and Quebec (collectively, the “**OTC Exemption Jurisdictions**”), OTC Derivative transactions are generally not subject to securities or derivative regulatory requirements, pursuant to applicable exemptions (the “**OTC Derivative Exemptions**”), when they are negotiated, bi-lateral contracts that are entered into between sophisticated non-retail parties, referred to as “Qualified Parties” in the Blanket Order Jurisdictions and “accredited counterparties” in Quebec.
19. The corresponding OTC Derivative Exemptions are as follows:
- | | |
|------------------|--|
| Alberta | ASC Blanket Order 91-507 <i>Over-the-Counter Trades in Derivatives</i> |
| British Columbia | BC Instrument 91-501 <i>Over-the-Counter Derivatives</i> |
| Manitoba | Blanket Order 91-501 <i>Over-the-Counter Trades in Derivatives</i> |
| New Brunswick | Local Rule 91-501 <i>Over-the-counter Trades in Derivatives</i> |
| Nova Scotia | Blanket Order 91-501 <i>Over the Counter Trades in Derivatives</i> |
| Quebec | Section 7 of the <i>Derivatives Act</i> (Quebec) |
| Saskatchewan | General Order 91-908 <i>Over-the-Counter Derivatives</i> |

The evolving regulation of OTC Derivative transactions as derivatives

20. Each of the OTC Exemption Jurisdictions has sought to address the regulatory uncertainty associated with the regulation of OTC Derivative transactions as securities by regulating them as derivatives rather than securities, whether directly through the adoption of a distinct regulatory framework for derivatives in Quebec, or indirectly through amendments to the definition of the term “security” in the securities legislation of the other OTC Exemption Jurisdictions and the granting of the OTC Derivative Exemptions.
21. Between 1994 and 2000, the OSC sought to achieve a similar objective by introducing proposed OSC Rule 91-504 Over-the-Counter Derivatives (the “**Proposed OSC Rule**”) for the purpose of establishing a uniform, clearly defined regulatory framework for the conduct of OTC Derivative transactions in Ontario, but the Proposed OSC Rule was returned to the OSC for further consideration by Ontario’s Minister of Finance in November 2000.
22. The Final Report of the Ontario Commodity Futures Act Advisory Committee, published in January 2007, concluded that OTC Derivative contracts are not suited to being regulated in accordance with traditional securities regulatory requirements and should therefore be excluded from the scope of securities legislation, because they are used for commercial-risk management purposes and not for investment or capital-raising purposes.
23. On April 19, 2018, the Canadian Securities Administrators (the “**CSA**”) published a Notice and Request for Comment on the Proposed National Instrument 93-102 *Derivatives: Registration*, and on September 28, 2023, the CSA announced that the regulatory authorities of each jurisdiction of Canada, except for British Columbia, had adopted Multilateral Instrument 93-101 *Derivatives: Business Conduct*, which, together, are intended to implement a comprehensive regime for the regulation of persons or companies that are in the business of trading or advising on derivatives.

Rationale for Requested Relief

24. The Requested Relief would substantially address, for the Filer and its Permitted Counterparties, the regulatory uncertainty and fragmentation that is currently associated with the regulation of OTC Derivative transactions in Canada, by permitting these parties to enter into OTC Derivative transactions in reliance upon exemptions from the dealer registration and prospectus requirements of the securities legislation of Ontario that are comparable to the OTC Derivative Exemptions.

Books and Records

25. The Filer will become a “market participant” for the purposes of the OSA if the Requested Relief is granted. For the purposes of the OSA, and as a market participant, the Filer is required by subsection 19(1) of the OSA to: (i) keep such books, records and other documents as are necessary for the proper recording of its business transactions and financial affairs, and the transactions that it executes on behalf of others; and (ii) keep such books, records and documents as may otherwise be required under Ontario securities law.
26. For the purposes of its compliance with subsection 19(1) of the OSA, the books and records that the Filer will keep will include books and records that:
- (a) demonstrate the extent of the Filer’s compliance with applicable requirements of securities legislation;
 - (b) demonstrate compliance with the policies and procedures of the Filer for establishing a system of controls and supervision sufficient to provide reasonable assurance that the Filer, and each individual acting on its behalf, complies with securities legislation;
 - (c) identify all OTC Derivative transactions conducted on behalf of the Filer and each of its clients, including the name and address of all parties to the transaction and the terms of those transactions; and
 - (d) set out for each OTC Derivative transaction entered into by the Filer, information corresponding to that which would be required to be included in an exempt distribution report for the transaction, if the transaction were entered into by the Filer in reliance upon the “accredited investor” prospectus exemption in section 2.3 [Accredited investor] of National Instrument 45-106 *Prospectus Exemptions*.
27. In respect of the OTC Derivative transactions, the Filer will comply with any applicable OTC derivatives-specific rules and instruments in effect in the provinces and territories of Canada, including the following:
- (a) the derivatives trade reporting rules (including, OSC Rule 91-507 *Derivatives: Trade Reporting*);
 - (b) the fee rule (OSC Rule 13-502 *Fees*), specifically Part 6 “Derivatives Participation Fees”;
 - (c) the derivatives business conduct rule (National Instrument 93-101 *Derivatives: Business Conduct*);
 - (d) the mandatory clearing rule (National Instrument 94-101 *Mandatory Central Counterparty Clearing of Derivatives*); and
 - (e) the segregation and portability rule (National Instrument 94-102 *Derivatives: Customer Clearing and Protection of Customer Collateral and Positions*).

Decision

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

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

- (a) the counterparty to any OTC Derivative transaction that is entered into by the Filer is a Permitted Counterparty;
- (b) in the case of any trade entered into by the Filer with a Permitted Counterparty, the Filer does not offer or provide any credit or margin to the Permitted Counterparty, although the Filer and a Permitted Counterparty may exchange collateral under an OTC Derivative transaction;
- (c) the Filer complies with the filing and fee payment requirements under Part 6 of OSC Rule 13-502 *Fees*; and
- (d) the Requested Relief shall terminate on the date that is the earlier of:
 - (i) the date that is four years after the date of this decision; and
 - (ii) the coming into force in the Jurisdiction of legislation or a rule that specifically governs dealer, adviser or other registration requirements applicable to market participants in connection with OTC Derivative transactions.

“Joseph Della Manna”
Manager, Trading and Markets
Ontario Securities Commission

OSC File #: 2024/0330

Appendix

Definitions

“**Clearing Corporation**” means an association or organization through which Options or futures contracts are cleared and settled.

“**Contract for Differences**” means an agreement, other than an Option, a Forward Contract, a spot currency contract or a conventional floating rate debt security, that provides for:

- (a) an exchange of principal amounts; or
- (b) the obligation or right to make or receive a cash payment based upon the value, level or price, or on relative changes or movements of the value, level or price of, an Underlying Interest.

“**Forward Contract**” means an agreement, not entered into or traded on or through an organized market, stock exchange or futures exchange and cleared by a Clearing Corporation, to do one or more of the following on terms or at a price established by or determinable by reference to the agreement and at or by a time established by or determinable by reference to the agreement:

- (a) make or take delivery of the Underlying Interest of the agreement; or
- (b) settle in cash instead of delivery.

“**Option**” means an agreement that provides the holder with the right, but not the obligation, to do one or more of the following on terms or at a price determinable by reference to the agreement at or by a time established by the agreement:

- (a) receive an amount of cash determinable by reference to a specified quantity of the Underlying Interest of the Option.
- (b) purchase a specified quantity of the Underlying Interest of the Option.
- (c) sell a specified quantity of the Underlying Interest of the Option.

“**OTC Derivative**” means one or more of, or any combination of, an Option, a Forward Contract, a Contract for Differences or any instrument of a type commonly considered to be a derivative, in which:

- (a) the agreement relating to, and the material economic terms of, the Option, Forward Contract, Contract for Differences or other instrument have been customized to the purposes of the parties to the agreement and the agreement is not part of a fungible class of agreements that are standardized as to their material economic terms;
- (b) the creditworthiness of a party having an obligation under the agreement would be a material consideration in entering into or determining the terms of the agreement; and
- (c) the agreement is not entered into or traded on or through an organized market, stock exchange or futures exchange.

“**Underlying Interest**” means, for a derivative, the commodity, interest rate, currency, foreign exchange rate, security, economic indicator, index, basket, benchmark or other variable, or another derivative, and, if applicable, any relationship between, or combination of, any of the foregoing, from or on which the market price, value or payment obligations of the derivative are derived or based.

B.3.2 Louisbourg Investments Inc. and Alizé Capital Inc.

Headnote

Under paragraph 4.1(1)(b) of National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations, a registered firm must not permit an individual to act as a dealing, advising or associate advising representative of the registered firm if the individual is registered as a dealing, advising or associate advising representative of another registered firm. One registered firm is acquiring all of the shares of another firm and certain client accounts prior to the latter's surrender of its registration as a portfolio manager. The Filers have valid business reasons for the individual to be registered with both firms; the individual will have sufficient time to adequately serve both firms; and there are policies and procedures in place to handle any potential conflicts of interest. The firms are exempted from the prohibition in paragraphs 4.1(1)(b) for a limited time period.

Applicable Legislative Provisions

Multilateral Instrument 11-102 Passport System, s. 4.7.

National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations, s. 4.1.

October 3, 2024

**IN THE MATTER OF
THE SECURITIES LEGISLATION OF
NEW BRUNSWICK
AND
ONTARIO
(the "Jurisdictions")**

AND

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

AND

**IN THE MATTER OF
LOUISBOURG INVESTMENTS INC.
("Louisbourg")**

AND

**ALIZÉ CAPITAL INC.
("Alizé")
(collectively, the "Filers")**

DECISION

Background

The securities regulatory authority or regulator in each of the Jurisdictions (the "**Decision Maker**") has received an application from the Filers for a decision under the securities legislation of the Jurisdictions (the "**Legislation**") for relief from the prohibition included in paragraph 4.1(1)(b) of *National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations* ("**NI 31-103**"), pursuant to section 15.1 of NI 31-103, to permit Benoit Mayer-Godin (the "**Representative**") to be registered as an advising representative and derivatives advising representative of Louisbourg while acting as an advising representative, derivatives advising representative, chief compliance officer and ultimate designated person for Alizé (the "**Requested Relief**").

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

- (a) The New Brunswick Financial and Consumer Services Commission (the "**FCNB**") is the principal regulator for Louisbourg, and the Autorité des marchés financiers (the "**AMF**") is the principal regulator for Alizé;
- (b) Louisbourg provided notice that subsection 4.7(1) of Multilateral Instrument 11-102 Passport System ("**MI 11-102**") is intended to be relied upon on in British-Columbia, Alberta, Saskatchewan, Manitoba, Québec, Nova Scotia, Prince-Edward Island and Newfoundland and Labrador for the Requested Relief (as defined below);

- (c) the decision is the decision of FCNB (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.

Representations

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

1. Louisbourg is a corporation incorporated under the *Canada Business Corporations Act*, with its registered office located in Dieppe, New Brunswick. It is registered as a portfolio manager and exempt market dealer in all the provinces of Canada and as investment fund manager in Ontario, Québec, New Brunswick, Nova Scotia, and Newfoundland and Labrador, and is currently seeking registration as a derivatives portfolio manager in Québec.
2. Alizé is a corporation incorporated under the *Business Corporations Act* (Québec), with its head office located in Montréal, Québec. Alizé is wholly owned by the Representative and is registered in Québec as a portfolio manager and derivatives portfolio manager.
3. Both Louisbourg and Alizé offer discretionary portfolio management services through individual accounts, and Louisbourg through pooled funds for which it acts as investment fund manager wherever they are registered. Louisbourg's target clientele includes private clients with substantial financial resources, as well as institutional clients and it also sponsors a pooled fund, while Alizé focusses essentially on private clients with substantial financial resources. Alizé also offers derivative portfolio management services, specifically involving options, to certain clients.
4. The principal regulator of Louisbourg is FCNB and the principal regulator for Alizé is the AMF.
5. The Representative is currently registered in Québec only with Alizé as an advising representative and derivatives advising representative. He is also the ultimate designated person ("**UDP**") and chief compliance officer ("**CCO**") of Alizé. The Representative seeks to be registered as an advising representative of Louisbourg in Québec, Ontario, New Brunswick and British Columbia and as an advising representative in derivatives in Québec.
6. Louisbourg provided notice to FCNB and the AMF on January 5, 2024, pursuant to section 11.9 of NI 31-103 of its proposed acquisition of all of Alizé's issued and outstanding shares (the "**Proposed Acquisition**"). It received non-objection letters from both the FCNB and AMF, dated March 13, 2024.
7. Once the Proposed Acquisition is complete, Louisbourg intends to enter into an employment agreement with the Representative appointing him as Portfolio Manager, Lead-Québec (and in French "Gestionnaire de portefeuille, Responsable-Québec") and portfolio manager (derivatives), based in a branch of Louisbourg in Québec. The principal responsibilities of this position would be to manage Louisbourg operations in Quebec, to ensure the transition of current Alizé clients to Louisbourg, to canvass for new clients and assets under management in Québec, and to be responsible for the management of client portfolios, including the establishment of client investment policies and the updating of client files.
8. Following the Proposed Acquisition, the Parties intend to complete the surrender of Alizé's registration before the conclusion of 2024. However, Alizé's registration and the Representative's registration with Alizé will remain unchanged for a period sufficient to facilitate the transfer of Alizé's clients to Louisbourg. This includes clients with underlying derivatives in their portfolios, once Louisbourg secures the necessary registration from the AMF. This process will be conducted in an orderly manner, and subsequent decisions regarding Alizé's registration status, valuation, or surrender will be finalized thereafter.
9. As a result, the Filers request that the Requested Relief be granted on a temporary basis for that period of time in order to enable the Filers to facilitate the completion of the client transfer after the Proposed Acquisition and the initiation of Alizé's registration surrender process.
10. Alizé clients who transition from Alizé to Louisbourg will continue to initially receive the same portfolio management services and be charged by Louisbourg the same fees as when they were clients of Alizé. Louisbourg undertakes that within a 12-month period from the date the Requested Relief is granted, Louisbourg will have harmonized its fee schedules in compliance with requirement to address material conflicts of interest in the best interest of clients.
11. The final agreement regarding the Proposed Acquisition will provide that a portion of the purchase price will be payable twelve months following the closing of the Proposed Acquisition in the form of a balance of sale, and the amount of this balance may vary under certain conditions.

B.3: Reasons and Decisions

12. In connection with this payment structure, each of Alizé's customers will be informed, prior to making the decision to open an account with Louisbourg, of the comparative advantages of the Proposed Acquisition and will in particular receive information in accordance with subsections 13.4(5) and 13.4(6) of NI 31-103 regarding any potential conflict of interest that may arise from the Representative's developing a clientele for Louisbourg in Québec, including the consequential financial interest in encouraging current Alizé clients to become Louisbourg clients. A press release (prepared by Alizé and Louisbourg acting jointly) will be issued regarding the Proposed Acquisition.
13. Neither of the Filers is in default of any requirement of securities or derivatives legislation in any of the jurisdictions in Canada.
14. The Representative is not in default of any requirement of securities or derivatives legislation in any of the jurisdictions of Canada.
15. Other than as represented above under paragraph 12, the Requested Relief does not give rise to any conflicts of interest in the conduct of the business of Louisbourg and Alizé or in their relationships with their respective clients.
16. Louisbourg and Alizé and the Representative have and will continue to comply with their conflicts obligations as required pursuant to NI 31-103.
17. Each Filer's policies and procedures manual contains detailed provisions for dealing with conflicts of interest internally and with third parties, including their respective clienteles. They each have adequate policies and procedures in place to address material conflicts of interest that may arise as a result of the dual registration of the Representative in the best interest of clients. Furthermore, in the rare event that the Representative identifies a potential or actual conflict of interest that could materially affect a client or the Filers, the Representative would, at such time, inform the CCO of Louisbourg, and then the Filers would notify, in writing, their client of the conflict of interest and would otherwise address the conflict of interest in accordance with each Filer's policies and procedures as they apply to conflicts of interest.
18. The Filers require the Representative to be dually registered with both Alizé and Louisbourg for a prescribed period of time in order to facilitate the orderly transition of clients from Alizé to Louisbourg. The Representative's dual registration will permit the continued services to clients until Alizé surrenders its registration.
19. If the Requested Relief is granted, the Representative will register as an advising representative and a derivatives advising representative of Louisbourg, while maintaining his registration as an advising representative and derivatives advising representative of Alizé on a temporary basis as referred to in paragraphs 8 and 9 above.
20. Louisbourg and Alizé expect that the dual registration of the Representative will create some additional work for the Representative but are confident that the Representative will have sufficient time and resources to adequately serve both Filers and his clients.
21. Each of the Filers' respective UDP and CCO will ensure that the Representative has sufficient time and resources to adequately serve each Filer and its clients.
22. The Representative will be subject to supervision by, and the applicable compliance requirements of, the CCO and UDP of each Filer.
23. In order to minimize any client confusion during the transition period, the Filers and the Representative will disclose the fact that the Representative is registered with both firms, and the relationship between Louisbourg and Alizé will be explained to clients. This disclosure will be made in writing in the disclosure material provided to clients prior to the Representative providing services to clients of each Filer.
24. If the Requested Relief is not granted, the Filers would be prohibited from permitting the Representative to be registered as an advising representative and derivatives advising representative of each Filer, even though the Filers have controls and compliance procedures in place to deal with such advising activities.
25. The Representative will act in the best interest of all clients of each of Filer and will deal fairly, honestly and in good faith with clients.

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.

B.3: Reasons and Decisions

The decision of the Decision Makers under the Legislation is that the Requested Relief is granted, subject to the conditions below:

- i. The Representative is subject to supervision by, and the applicable compliance requirements of, both Filers. Should a major concern or breach related to the compliance requirements of either filer arise, the Filers shall notify FCNB immediately;
- ii. The UDP and CCO of each Filer ensure that the Representative has sufficient time and resources to adequately service each Filer and its respective clients;
- iii. The Filers each have adequate policies and procedures in place to address material conflicts of interest that may arise as a result of the dual registration of the Representative in the best interest of clients;
- iv. The relationship between the Filers and the fact that the Representative is dually registered with both of them is fully disclosed in writing to clients and prospective clients of each of them that deal with the Representative during the transition period;
- v. Louisbourg confirms to the Principal Regulator in writing within 12 months of the Requested Relief that the undertaking set out in paragraph 10 above has been complied with; and
- vi. The Requested Relief expires on the earlier of the date on which Alizé's registration is surrendered or 12 months from the date of this decision.

"To-Linh Huynh"
Financial and Consumer Services Commission (New Brunswick)

B.3.3 Connect Shareholder Services, LLC

Headnote

Company finding lost shareholders for issuers exempt from dealer registration – relief limited to facilitating sales orders for found securityholders of their claimed securities – execution through appropriately registered CIRO investment dealers.

Statute cited

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 1(1), 25, 74.

October 1, 2024

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
CONNECT SHAREHOLDER SERVICES, LLC
(the Filer)

DECISION

Background

The principal regulator in the Jurisdiction has received an application from the Filer for a decision under the securities legislation of the Jurisdiction (the **Legislation**) that the Filer be exempt from the dealer registration requirement provided in the Legislation in connection with facilitating trades pursuant to the Share Selling Service (as defined below) (the **Exemption Sought**).

Under National Policy 11-203 *Process for Exemptive Relief Applications in Multiple Jurisdictions* (for a passport application):

- (a) the Ontario Securities Commission is the principal regulator for this application; and
- (b) the Filer has provided notice that section 4.7(1) of Multilateral Instrument 11-102 *Passport System* (**MI 11-102**) is intended to be relied upon in each of British Columbia, Alberta, Saskatchewan, Manitoba, Québec, New Brunswick, Nova Scotia, Prince Edward Island, Newfoundland and Labrador, Northwest Territories, Yukon and Nunavut (together with the Jurisdiction, the **Jurisdictions**).

Interpretation

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

Representations

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

The Filer

1. The Filer is a limited liability company formed under the laws of the Commonwealth of Virginia with its principal office located in Maitland, Florida.
2. The Filer is not registered under applicable securities legislation of any province or territory of Canada. The Filer is not in default of securities legislation in any jurisdiction of Canada.
3. The business of the Filer is to provide asset reunification services to issuers and their securityholders, which operates as follows:

- (a) the Filer is engaged by issuers to assist them in locating securityholders who:
- i. hold interests of entities (including securities of such entities) acquired by or merged into the issuer (or parties related to the issuer),
 - ii. hold securities which have by their terms matured or terminated or have been redeemed,
 - iii. hold interests that have been converted (whether by conversion of the interest by the entity and/or conversion of the entity itself and including, without limitation, the conversion of a mutual company into a shareholder-owned company (e.g., a demutualization of an insurance company)),
 - iv. by virtue of their ownership of securities of the issuer are entitled to receive securities of an entity that has been spun-out by the issuer, or
 - v. have an entitlement to a cash payment in lieu of the interests set out in subparagraphs (i) to (iv) above, and

have failed to tender their securities or other interest or to take whatever other action is required to receive any entitlement resulting therefrom.

- (b) The Filer has been providing asset reunification services in the United States since its incorporation in 2014. The Filer does not require any regulatory permits or registrations to provide asset reunification services in the United States.
- (c) Once a securityholder has been actually or potentially located (**Found Securityholders**), the Filer offers to assist the securityholder in exchanging the unexchanged securities or the claiming of additional securities or cash entitlements, as the case may be, through the delivery of an explanatory notice to such Found Securityholders detailing the steps that the Found Securityholders will be required to take to claim their entitlements (the **Claim Notice**). The Claim Notice will include the following information, along with the information referred to in sub-paragraphs (d) and (e) and paragraphs 4, 5 and 12 below:
- i. Role of the Filer in assisting the specified issuer in locating securityholders,
 - ii. Name of the specified issuer and the specific entitlements of the Found Securityholder,
 - iii. Details on how the Found Securityholder can claim an entitlement, including the necessary asset reunification form to be completed by the Found Securityholder,
 - iv. Details on the service fee payable by the Found Securityholder for the asset reunification service and an explanation that the fee will be paid to the Filer,
 - v. Details on the optional Share Selling Service,
 - vi. Details on the fees payable by the Found Securityholder to the Filer for the Share Selling Service, if applicable,
 - vii. Toll-free phone numbers, along with hours of operation, of the Filer, which Found Securityholders are encouraged to use,
 - viii. An explanation of the Filer's privacy policy, and
 - ix. An explanation of what will happen if the Found Securityholder fails to respond to the Claims Notice.
- (d) Found Securityholders are under no obligation to use the Filer to exchange their unexchanged securities or claim their entitlements. The issuer may have the capability to arrange for the exchanges and claims separate and apart from the Filer through a transfer agent or other internal process. As part of the Claim Notice, if applicable, the Filer informs Found Securityholders that they can claim the unexchanged securities or their entitlements through the transfer agent, or such other process, if they wish.
- (e) If a Found Securityholder elects to engage the Filer to exchange their unexchanged securities or claim their entitlements, the Filer charges a service fee to the Found Securityholder, which is detailed and disclosed in the Claim Notice.
- (f) The Filer will verify the Found Securityholder's entitlement to the unexchanged securities or to the additional securities or cash and will work with the issuer and its transfer agent to:

B.3: Reasons and Decisions

- i. have the applicable security certificates or 'direct registration statements' issued in the Found Securityholder's name and sent to the Found Securityholder, or
 - ii. have payment of the cash entitlement sent by cheque or other form of payment to the Found Securityholder, or
 - iii. have a combination of security certificates/DRS and cash entitlement sent to the Found Securityholder.
4. Once a Found Securityholder has exchanged the unexchanged securities it holds for its entitlement, or claimed the additional securities to which it is entitled, the Filer wishes to offer the Found Securityholder the ability to sell those securities by using a third-party registered dealer to execute the trade at the prevailing market price (the **Share Selling Service**). The Share Selling Service will only be available for publicly listed securities. The Share Selling Service will be outlined in the Claim Notice, and it will be clear that only Found Securityholders who elect to use the Filer to exchange their unexchanged securities or claim their entitlements to additional securities may use the Share Selling Service.
5. Found Securityholders are not required to sell the securities they receive in respect of any exchange or entitlement and will not be required to sell their shares through the Filer. Found Securityholders who wish to sell their securities or entitlements in another manner (for example, by transferring their holdings to another dealer with whom they have a brokerage relationship) will be able to do so. This ability to do this will be outlined in the Claim Notice and the Filer will not charge a fee in respect of any such transfer.
6. Under the Share Selling Service, Found Securityholders, subject to applicable foreign laws, will be able to sell their securities they acquired through the entitlement by contacting the Filer either through written instructions (sent by mail or delivered in person or provided via an internet web portal) or by telephone.
7. Under the Share Selling Service, Found Securityholders will only be able to instruct the Filer to sell the securities at the market price. The Found Securityholders will not be able to place a "price limit order" with the Filer. The Filer and its directors, officers, employees, contractors and agents will not provide recommendations or advice regarding the decision to sell or hold the applicable securities to Found Securityholders. The Filer will inform all Found Securityholders with inquiries concerning the decision to sell or hold the applicable securities to contact a professional advisor.
8. The Filer will establish an account with a registered investment dealer and member of the Canadian Investment Regulatory Organization a (the **Assisting Dealer**). The Assisting Dealer may change from time to time.
9. The Filer will transfer the securities to the Assisting Dealer for execution and will arrange with the Assisting Dealer to sell the securities of any Found Securityholder who wish to do so. The Assisting Dealer will take instruction from the Filer (as per the Filer's communication with the Found Securityholders) and will execute the trade at the market price.
10. The Assisting Dealer will provide the Filer with settlement advice and the settlement proceeds. The Filer will remit the proceeds of the trade, less applicable fees, to the Found Securityholders, as soon as possible following the receipt of the settlement proceeds from the Assisting Dealer.
11. The Filer holds Found Securityholders' securities and cash separate and apart from the Filer's own property, and cash will be held in a designated trust account held at a Canadian financial institution in trust for Found Securityholders, pending distribution to the Found Securityholders. The Filer maintains records sufficient to show the beneficial ownership of the cash and securities of each Found Securityholder. The Filer maintains sufficient insurance coverage for its business activities.
12. A Found Securityholder that wishes to use the Share Selling Service will pay the Filer a fee plus, depending on the program, a cents-per-share fee for each sale of securities under the Share Selling Service. The nature of the fee to be paid to the Filer will depend on the specific asset reunification program and will be negotiated with the issuer engaging the Filer. The Claim Notice will outline the fees to be paid by the Found Securityholder to the Filer in respect of the Share Selling Service. No other fees are paid by the Found Securityholder in relation to the Share Selling Service. The Filer itself will pay the brokerage commissions to the Assisting Dealer.
13. Any materials distributed to Found Securityholders regarding the Share Selling Service will not contain any recommendations or advice as to whether the Found Securityholder should hold or sell their securities.
14. Found Securityholders who choose to use the Filer to exchange their unexchanged securities or claim their entitlements, but who do not elect to use the Share Selling Service at the time they notify the Filer of their decision to use the asset reunification services of the Filer, will not be able to later use the Share Selling Service, and will not receive further communications regarding the Share Selling Service.
15. In providing the Share Selling Service, the Filer will facilitate trades pursuant to the Share Selling Service by: (i) receiving orders from Found Securityholders to sell their securities, (ii) instructing the Assisting Dealer to execute the order to sell

the securities, (iii) remitting the proceeds less applicable fees from the sale of securities to the Found Securityholders, and (iv) receiving a fee from the Found Securityholders for the Share Selling Service.

16. The Filer submits that the Exemption Sought is not prejudicial to the public interest because:
- (a) A significant number of the Found Securityholders may not have any prior experience in share ownership or brokerage relationships, and so would have to take additional steps to independently establish an account and bear any associated costs. Given the relatively small number of securities that they may hold, brokers may not be interested in opening individual accounts for such small security holdings.
 - (b) The Share Selling Service is an efficient and effective way by which Found Securityholders can obtain their unclaimed assets, in a cash form, that they may not otherwise obtain due to their lack of experience in share ownership or brokerage relationships and given the small number of securities that they will likely hold.
 - (c) It is considered good corporate governance for issuers to engage asset reunification firms, such as the Filer, to locate securityholders who have not claimed their entitlements and to allow such Found Securityholders to have options in monetizing their holdings through the Share Selling Service.
17. Upon the granting of the Exemption Sought, the Filer will be a "market participant" as defined in the Legislation. As a market participant, among other requirements, the Filer will be required to comply with the record keeping and provision of information provisions under the Legislation, which include the requirement to keep such books, records and other documents as are necessary for the proper recording of business transactions and financial affairs and the transactions executed on behalf of others and to deliver such records to the principal regulator if required.

Decision

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

The decision of the principal regulator under the Legislation is that the Exemption Sought is granted, provided that all of the following conditions are met:

- (a) The Filer facilitates only the sale of securities from Found Securityholders through an Assisting Dealer, which will be an investment dealer and member of the Canadian Investment Regulatory Organization.
- (b) The Filer deals honestly, fairly and in good faith with the Found Securityholders.
- (c) The Filer and its directors, officers, employees, contractors and agents will not provide investment recommendations or advice regarding the decision to sell or hold the applicable securities to Found Securityholders.
- (d) The Filer will inform all Found Securityholders with inquiries concerning the decision to sell or hold the applicable securities to contact a professional advisor.
- (e) The Filer holds any client securities and client cash separate and apart from the Filer's own property and holds client cash in a designated trust account held at a Canadian financial institution in trust for Found Securityholders, pending distribution out to the Found Securityholders.
- (f) The Filer maintains records sufficient to show the beneficial ownership of the cash and securities of each Found Securityholder.
- (g) The Filer remits the proceeds of any trade made under the Share Selling Service, less applicable fees, to the Found Securityholders, as soon as possible following the receipt of the settlement proceeds from the Assisting Dealer.
- (h) Where a Found Securityholder uses the Share Selling Service, the Filer will provide Found Securityholders with a statement outlining the detail of the trade(s) made under the Share Selling Service, including the number of securities sold, the proceeds of any sale and the fees paid by the Found Securityholder.
- (i) The Filer will not require, recommend or advise that Found Securityholders sell the securities they receive in respect of any exchange or entitlement and Found Securityholders who wish to sell such securities will not be required to do so through the Filer's Share Selling Service. These facts will be outlined in the Claim Notice.
- (j) Within 30 days of the end of the first year (2024) and the third year (2026) after the date of this Decision, the Filer provides to the principal regulator the following information for each issuer for whom the Filer has

B.3: Reasons and Decisions

established a Share Selling Service for the applicable period since the date of this Decision or the date of the last report, as applicable:

- i. The number of Found Securityholders who elect to use the Filer to sell their shares pursuant to the Share Selling Service,
 - ii. The proportion of Found Securityholders who use the Share Selling Service out of all Found Securityholders who elect to use the Filer to exchange their unexchanged securities or to claim the additional securities or cash entitlements,
 - iii. The number of shares and value of those shares sold pursuant to the Share Selling Service,
 - iv. The fees paid to the Filer by the Found Securityholders using the Share Selling Service, and
 - v. Any complaints received from the Found Securityholders relating to the Share Selling Service and how those complaints were resolved.
- (k) The Filer will provide, on a timely basis, any report, document or information to the principal regulator that may be requested by the principal regulator from time to time for the purpose of monitoring compliance with securities legislation and the conditions in the Decision, in a format acceptable to the principal regulator.
- (l) This decision may be amended by the Ontario Securities Commission from time to time upon prior written notice to the Filer in accordance with applicable securities legislation.

“Joseph Della Manna”

Application File #: 2024/0372

B.4 Cease Trading Orders

B.4.1 Temporary, Permanent & Rescinding Issuer Cease Trading Orders

Company Name	Date of Temporary Order	Date of Hearing	Date of Permanent Order	Date of Lapse/Revoke
THERE IS NOTHING TO REPORT THIS WEEK.				

Failure to File Cease Trade Orders

Company Name	Date of Order	Date of Revocation
Fortress Global Enterprises Inc.	October 1, 2024	
XTM Inc.	July 3, 2024	October 2, 2024
NextGen Food Robotics Corp.	October 3, 2024	
Vintage Wine Estates, Inc.	October 4, 2024	
Horizonte Minerals PLC	October 4, 2024	
ZoomMed Inc.	October 4, 2024	
Alerio Gold Corp.	February 28, 2024	October 7, 2024
Certive Solutions Inc.	October 7, 2024	
Enfield Exploration Corp.	October 7, 2024	
DGTL Holdings Inc.	October 7, 2024	
Koios Beverage Corp.	October 7, 2024	
Powertap Hydrogen Capital Corp.	December 12, 2023	October 7, 2024

B.4.2 Temporary, Permanent & Rescinding Management Cease Trading Orders

Company Name	Date of Order	Date of Lapse
AI/ML Innovations Inc.	August 30, 2024	October 3, 2024
Hybrid Power Solutions Inc.	October 2, 2024	

B.4.3 Outstanding Management & Insider Cease Trading Orders

Company Name	Date of Order or Temporary Order	Date of Hearing	Date of Permanent Order	Date of Lapse/Expire	Date of Issuer Temporary Order
Performance Sports Group Ltd.	19 October 2016	31 October 2016	31 October 2016		

B.4: Cease Trading Orders

Company Name	Date of Order	Date of Lapse
Agrios Global Holdings Ltd.	September 17, 2020	
Sproutly Canada, Inc.	June 30, 2022	
iMining Technologies Inc.	September 30, 2022	
Alkaline Fuel Cell Power Corp.	April 4, 2023	
mCloud Technologies Corp.	April 5, 2023	
FenixOro Gold Corp.	July 5, 2023	
HAVN Life Sciences Inc.	August 30, 2023	
Perk Labs Inc.	April 4, 2024	
Organto Foods Inc.	May 8, 2024	
AI/ML Innovations Inc.	August 30, 2024	October 3, 2024
AION THERAPEUTIC INC.	August 30, 2024	
Hybrid Power Solutions Inc.	October 2, 2024	

B.5 Rules and Policies

B.5.1 Amendments to OSC Rule 91-507 Trade Repositories and Derivatives Data Reporting

AMENDMENTS TO ONTARIO SECURITIES COMMISSION RULE 91-507 TRADE REPOSITORIES AND DERIVATIVES DATA REPORTING

1. ***Ontario Securities Commission Rule 91-507 Trade Repositories and Derivatives Data Reporting is amended by this Instrument.***
2. ***The title is amended by replacing “Trade Repositories and Derivatives Data Reporting” with “Derivatives: Trade Reporting”.***
3. ***The heading to section 1 is amended by adding “and interpretation” after “Definitions”.***
4. ***Subsection 1(1) is amended by***

(a) adding the following definitions:

“collateral and margin data” means data relating to collateral and margin posted or collected as of the date of reporting, in respect of the data elements listed in Appendix A under the headings “Data Elements Related to Collateral and Margin” and “Data Elements Related to Actions and Events”;

“commodity derivative” means a derivative for which the only underlying interest is a commodity other than cash or currency;

“CSA Derivatives Data Technical Manual” means the CSA Derivatives Data Technical Manual published in a Staff Notice, as amended from time to time;

“Derivatives Service Bureau” means the subsidiary of the Association of National Numbering Agencies incorporated as The Derivatives Service Bureau (DSB) Limited and designated by the Financial Stability Board as both the service provider for the unique product identifier system for derivatives and the operator of the unique product identifier reference data library, or any successor thereto;

“exempt clearing agency” has the meaning ascribed to it in National Instrument 24-102 *Clearing Agency Requirements*;

“financial entity” means a person or company that is any of the following:

- (a) a body corporate, as defined in the Trust and Loan Companies Act (Canada) and to which that Act applies;
- (b) an association, as defined in the Cooperative Credit Associations Act (Canada) and to which that Act applies;
- (c) a fraternal benefit society incorporated or formed under the Insurance Companies Act (Canada);
- (d) a bank, loan company, loan corporation, trust company, trust corporation, factoring company, financing company, insurance company, insurance corporation, treasury branch, credit union, credit union central, caisse populaire, financial services cooperative or credit union league or federation that is authorized by an enactment of Canada or a jurisdiction of Canada to carry on business in Canada or a jurisdiction of Canada;
- (e) a pension fund that is regulated by either the Office of the Superintendent of Financial Institutions (Canada) or a pension commission or similar regulatory authority of a jurisdiction of Canada;
- (f) an investment fund;
- (g) a person or company, other than an individual, that is any of the following:

- (i) a person or company that is subject to a requirement to register under the securities legislation or commodities futures legislation of any jurisdiction of Canada;
- (ii) a person or company that is exempt from the requirement to register under the securities legislation or commodities futures legislation of any jurisdiction of Canada, other than a person or company that is exempt from the requirement to register as a result of section 8.4 of National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations;
- (h) a person or company that is an affiliated entity of a person or company referred to in any of paragraphs (a) to (g);
- (i) a person or company that is organized under the laws of a foreign jurisdiction that is analogous to an entity referred to in any of paragraphs (a) to (h).

“investment fund” has the meaning ascribed to it in National Instrument 81-106 *Investment Fund Continuous Disclosure*;

“notional amount threshold derivatives dealer” means a derivatives dealer to which subsection 44(1) or 44(2) of National Instrument 93-101 *Derivatives: Business Conduct* applies;

“position level data” means the lifecycle event data, valuation data, and collateral and margin data, each reported on an aggregated basis;

“qualified reporting counterparty” means a reporting counterparty that is any of the following:

- (a) a derivatives dealer;
- (b) a recognized or exempt clearing agency;
- (c) an affiliated entity of a person or company referred to in paragraph (a) or (b);

“UTI” means unique transaction identifier;

“validation procedure” means a written rule, policy or procedure reasonably designed to validate that the derivatives data reported under this Rule satisfies the derivatives data elements listed in Appendix A and the technical specifications set out in the CSA Derivatives Data Technical Manual.,

(b) replacing the definition of “asset class” with the following:

“asset class” means the category of the underlying interest of a derivative and includes, for greater certainty, interest rate, foreign exchange, credit, equity and commodity;.,

(c) replacing the definition of “creation data” with the following:

“creation data” means data in respect of the data elements listed in Appendix A, other than under the headings “Data Elements Related to Collateral and Margin” and “Data Elements Related to Valuation”;.,

(d) adding the following explanatory note after the definition of “CSA Derivatives Data Technical Manual”:

The CSA Derivatives Data Technical Manual provides detailed technical specifications in connection with the data elements that are required to be reported under this Rule, including the format and allowable values for the data elements. This text box does not form part of this Rule and has no official status.

(e) amending the definition of “derivatives data” by deleting “related to a transaction” and replacing “pursuant to” with “under”;

(f) replacing the definition of “derivatives dealer” with the following:

“derivatives dealer” means either of the following:

- (a) a person or company engaging in or holding themselves out as engaging in the business of trading in derivatives in Ontario as principal or agent;

- (b) any other person or company required to be registered as a derivatives dealer under securities legislation;;
- (g) amending the definition of “Legal Entity Identifier System Regulatory Oversight Committee” by replacing “Finance Ministers” with “finance ministers” and “Central Bank Governors” with “central bank governors”,**
- (h) amending the definition of “life-cycle event” by replacing “life-cycle” with “lifecycle” and “transaction” with “derivative”,**
- (i) replacing the definition of “life-cycle event data” with the following:**

“lifecycle event data” means changes to creation data resulting from a lifecycle event and data in respect of the data elements listed in Appendix A under the heading “Data Elements Related to Actions and Events”;
- (j) replacing the definition of “local counterparty” with the following:**

“local counterparty” means a counterparty to a derivative if, at the time of a transaction, one or more of the following apply:

 - (a) the counterparty is a person or company, other than an individual, to which one or more of the following apply:
 - (i) it is organized under the laws of Ontario;
 - (ii) its head office is in Ontario;
 - (iii) its principal place of business is in Ontario;
 - (b) the counterparty is a derivatives dealer in Ontario;
 - (c) the counterparty is an affiliated entity of a person or company to which paragraph (a) applies, and the person or company is liable for all or substantially all of the liabilities of the counterparty;;
- (k) amending the definition of “reporting counterparty” by replacing “transaction” with “derivative”,**
- (l) amending the definition of “user” by replacing “transaction” with “derivative” and deleting “and”, and**
- (m) replacing the definition of “valuation data” with the following:**

“valuation data” means data in respect of the data elements listed in Appendix A under the headings “Data Elements Related to Valuation” and “Data Elements Related to Actions and Events”;

5. Section 1 is amended by adding the following subsections:

- (4)** In this Rule, a person or company is an affiliated entity of another person or company if one of them controls the other or each of them is controlled by the same person or company.
- (5)** In this Rule, a person or company (the first party) is considered to control another person or company (the second party) if any of the following apply:
 - (a) the first party beneficially owns or directly or indirectly exercises control or direction over securities of the second party carrying votes which, if exercised, would entitle the first party to elect a majority of the directors of the second party unless the first party holds the voting securities only to secure an obligation;
 - (b) the second party is a partnership, other than a limited partnership, and the first party holds more than 50% of the interests of the partnership;
 - (c) all of the following apply:
 - (i) the second party is a limited partnership;
 - (ii) the first party is a general partner of the limited partnership referred to in subparagraph (i);
 - (iii) the first party has the power to direct the management and policies of the second party by virtue of being a general partner of the second party;

- (d) all of the following apply:
 - (i) the second party is a trust;
 - (ii) the first party is a trustee of the trust referred to in subparagraph (i);
 - (iii) the first party has the power to direct the management and policies of the second party by virtue of being a trustee of the second party.

(6) Despite subsections (4) and (5), an investment fund is not an affiliated entity of another person or company for the purposes of this Rule..

6. Subsection 3(3) is replaced with the following:

(3) For a change to a matter set out in Form 91-507F1 other than a change referred to in subsection (1) or (2), a designated trade repository must file an amendment to Form 91-507F1 in the manner set out in that Form at least annually.

7. Paragraph 7(2)(a) is replaced with the following:

(a) the rules, policies and procedures and its contracts are consistent with the laws applicable to those rules, policies, procedures and contracts, and that any material risk arising from a conflict between the laws of Ontario and the laws of another jurisdiction of Canada or a foreign jurisdiction that apply to a contract with its participants is reasonably mitigated,.

8. Subsection 8(1) is amended by

(a) replacing paragraph (b) with the following:

- (b) establish a clear organizational structure with responsibilities and direct lines of accountability, including roles and responsibilities in relation to the identification, measurement, monitoring and management of risks,.

(b) adding the following paragraphs:

- (b.1) establish a clear risk management framework that includes the tolerance levels for the identified risks of the designated trade repository,
- (b.2) establish processes for making decisions, including, for greater certainty, making decisions relating to crises and emergencies, and rules of accountability in respect of decisions relating to risk, **and**

(c) in paragraph (d) adding “and ensure that participants can efficiently access its derivatives data reporting services” after “repository”.

9. Section 9 is amended by adding the following subsection:

(5) A designated trade repository must establish, implement and maintain policies and procedures to review the overall performance of the board of directors and the performance of each board member on a regular basis..

10. Section 11 is amended by replacing “upon” with “after” wherever it occurs;

11. Section 12 is amended

- (a) by replacing “All” with “Any”,**
- (b) by deleting “and equitably” in paragraph (a),**
- (c) by deleting “and” at the end of paragraph (a),**
- (d) by adding “at all times” before “publicly” in paragraph (b),**
- (e) by adding “and” at the end of paragraph (b),**
- (f) and by adding the following paragraph:**
 - (c) reviewed on a regular basis, at least once every 2 calendar years..

12. **Section 14 is replaced with the following:**

Receiving derivatives data

14. (1) A designated trade repository must not refuse to receive derivatives data from a participant for all derivatives of an asset class set out in its designation order and in respect of all data elements listed in Appendix A..

13. **The heading to section 15 is amended by deleting “policies.”**

14. **Section 16 is replaced with the following:**

Due Process

16. (1) Before making a decision that directly and adversely affects a participant or an applicant that applies to become a participant, a designated trade repository must give the participant or applicant an opportunity to be heard.

(2) A designated trade repository must keep records of, give reasons for, and provide for reviews of its decisions, including, for each applicant, the reasons for granting, denying or limiting access.

15. **Paragraph 17(1)(b) is amended by replacing “other information on a completed transaction” with “other information relating to a derivative”.**

16. **Subsection 18(1) is amended by replacing “accurately, completely” with “without error or omission”.**

17. **Subsection 18(2) is amended by replacing “in relation to a transaction for the life of the transaction and for a further” with “for” and “transaction expires” with “derivative expires”.**

18. **The heading to section 21 is amended by replacing “risk requirements” with “risks”.**

19. **Paragraph 21(3)(b) is amended by replacing “transactions” with “derivatives data”.**

20. **Paragraph 21(3)(c) is amended by replacing “a post-incident report that includes a root-cause analysis as soon as practicable” with “as soon as practicable a written post-incident report that includes a root-cause analysis and any remedial action that the designated trade repository has taken or intends to take”.**

21. **Paragraph 22(2)(b) is amended by replacing “transaction” with “derivative”.**

22. **The Instrument is amended by adding the following sections:**

Transactions executed anonymously on a derivatives trading facility

22.1 A designated trade repository must not disclose the identity or legal entity identifier of a counterparty to another counterparty in respect of a transaction involving a local counterparty that is executed anonymously on a derivatives trading facility and results in a derivative that is cleared through a recognized or exempt clearing agency.

Validation of data

22.2 (1) A designated trade repository must establish, implement, maintain and enforce a validation procedure.

(2) A designated trade repository must, as soon as technologically practicable after receiving derivatives data, notify a reporting counterparty, including, for greater certainty, an agent acting on its behalf, whether the derivatives data satisfies its validation procedure.

(3) A designated trade repository must accept derivatives data that satisfies its validation procedure.

(4) A designated trade repository must create and maintain records of all the derivatives data reported that failed to satisfy its validation procedure.

(5) A designated trade repository must, for all derivatives required to be reported under this Rule, including, for greater certainty, derivatives that have expired or terminated, accept a correction from a participant to an error or omission in derivatives data that the participant reported if the corrected derivatives data satisfies its validation procedure..

23. **Section 23 is replaced with the following:**

Verification of data

23. (1) For the purposes of this section

- (a) “verification participant” means a participant that is, or is acting on behalf of, a reporting counterparty to a derivative and that is subject to verification requirements;
- (b) “verification requirements” means the requirements set out under paragraphs 26.1(b) or 26.1(c).

(2) A designated trade repository must establish, implement, maintain and enforce written rules, policies and procedures under which a verification participant is allowed and enabled to carry out its verification requirements.

24. Section 25 is replaced with the following:

Reporting counterparty

25. (1) The reporting counterparty with respect to a derivative involving a local counterparty is

- (a) if the derivative is cleared through a recognized or exempt clearing agency, the recognized or exempt clearing agency,
- (b) subject to subsection (2), if the derivative is not cleared through a recognized or exempt clearing agency and is between two derivatives dealers both of which are parties to the ISDA Multilateral, the derivatives dealer determined to be the reporting counterparty under the ISDA methodology,
- (c) if paragraphs (a) and (b) do not apply to the derivative and the derivative is between a derivatives dealer that is a financial entity and a derivatives dealer that is not a financial entity, the financial entity,
- (d) if paragraphs (a) to (c) do not apply to the derivative and the derivative is between two derivatives dealers that are financial entities, each derivatives dealer,
- (e) if paragraphs (a) to (d) do not apply to the derivative and the derivative is between a derivatives dealer and a counterparty that is not a derivatives dealer, the derivatives dealer,
- (f) if paragraphs (a) to (e) do not apply to the derivative, the counterparty determined to be the reporting counterparty under the terms of a written agreement entered into before or at the time of the transaction, and
- (g) in any other case, each local counterparty to the derivative.

(2) Paragraph (1)(b) applies in respect of a derivative only if

- (a) the ISDA methodology process is followed in determining the reporting counterparty in respect of that derivative, and
- (b) each party to the derivative consents to the release to the Commission by the International Swaps and Derivatives Association, Inc. of information relevant in determining the applicability of paragraphs (1)(b) and (2)(a) to it.

(3) For the purposes of this section

- (a) “ISDA methodology” means the methodology described in the Canadian Transaction Reporting Party Requirements (issued by the International Swaps and Derivatives Association, Inc. on April 4, 2014 and amended as of March 20, 2015);
- (b) “ISDA Multilateral” means the ISDA 2014 Multilateral Canadian Reporting Party Agreement (Deemed Dealer Version) that is administered by and delivered to the International Swaps and Derivatives Association, Inc.

(4) A local counterparty to a derivative to which paragraph 1(f) applies must

- (a) keep a record of the written agreement referred to in that paragraph for 7 years after the date on which the derivative expires or terminates, and
- (b) keep the record referred to in paragraph (a) in a safe location and in a durable form.

(5) Despite section 40, a local counterparty that agrees under paragraph (1)(f) to be the reporting counterparty for a derivative to which section 40 applies must report derivatives data in accordance with this Rule.

25. Section 26 is amended by:

- (a)** in subsection (1), replacing “to a transaction” with “in respect of a derivative”,
- (b)** in subsection (2), replacing “transaction” with “derivative” wherever it occurs,
- (c)** in subsection (3), deleting “timely and accurate”,
- (d)** in subsection (5), replacing “transaction” with “derivative” wherever it occurs,
- (e)** in paragraph (5)(a), deleting “(b) or”,
- (f)** in paragraph (5)(b), replacing “pursuant to” with “under” and adding “or territory” after “province”,
- (g)** replacing subsection (6) with the following:
 - (6)** A reporting counterparty must ensure that all reported derivatives data relating to a derivative satisfies the validation procedure of the designated trade repository to which the derivative is reported.,
- (h)** replacing subsection (7) with the following:
 - (7)** A reporting counterparty must ensure that all reported derivatives data relating to a derivative is reported to the same designated trade repository or, if reported to the Commission under subsection (4), to the Commission.,
- (i)** repealing subsection (8), and
- (j)** replacing subsection (9) with the following:
 - (9)** If a local counterparty, other than a recognized or exempt clearing agency, to a derivative that is required to be reported under this Rule, and that is cleared through a recognized or exempt clearing agency, has specified a designated trade repository to which derivatives data in relation to the derivative is to be reported, the recognized or exempt clearing agency
 - (a)** must report the derivatives data to the specified designated trade repository, and
 - (b)** must not report derivatives data to another trade repository without the consent of the local counterparty..

26. The Instrument is amended by adding the following sections:

Verification of data

- 26.1** A reporting counterparty must
- (a)** ensure that reported derivatives data does not contain an error or omission,
 - (b)** verify, in the case of a reporting counterparty that is a notional amount threshold derivatives dealer, that the reported derivatives data does not contain an error or omission, at least once every calendar quarter, provided that there are at least two calendar months between verifications, and
 - (c)** verify, in the case of a reporting counterparty that is a recognized or exempt clearing agency or a derivatives dealer that is not a notional amount threshold derivatives dealer, that the reported derivatives data does not contain an error or omission, at least every 30 days.

Derivatives reported in error

26.2 A reporting counterparty that reports a derivative in error must report the error to the designated trade repository or, if the derivatives data was reported to the Commission under subsection 26(4), to the Commission, as soon as practicable after discovery of the error, and in no event later than the end of the business day following the day of discovery of the error.

Notification of errors and omissions with respect to derivatives data

26.3(1) A local counterparty, other than the reporting counterparty, must notify the reporting counterparty of an error or omission with respect to derivatives data relating to a derivative to which it is a counterparty as soon as practicable after

discovery of the error or omission, and in no event later than the end of the business day following the day of discovery of the error or omission.

(2) A reporting counterparty must notify the Commission of a significant error or omission with respect to derivatives data as soon as practicable after discovery of the error or omission.

Transferring a derivative to a different designated trade repository

26.4(1) A reporting counterparty must not change the designated trade repository to which derivatives data relating to a derivative is reported, unless the reporting counterparty complies with subsections (2) and (3).

(2) At least 5 business days before a change referred to in subsection (1) is made by a reporting counterparty, the reporting counterparty must provide notice of the change to the following:

- (a) the other counterparty to the derivative,
- (b) the designated trade repository to which the derivatives data is reported before the change, and
- (c) the designated trade repository to which the derivatives data is reported after the change.

(3) The reporting counterparty must include in the notice referred to in subsection (2) the UTI of the derivative and the date on which the reporting counterparty will begin reporting the derivatives data to the designated trade repository referred to in paragraph (2)(c).

(4) After providing the notice referred to in subsection (2), the reporting counterparty must report the change of designated trade repository as if it were a lifecycle event under section 32 to the designated trade repository referred to in paragraph (2)(b) and the designated trade repository referred to in paragraph (2)(c) on the same day, and must use the same UTI to identify the derivative in the report to each designated trade repository.

(5) After changing the designated trade repository, the reporting counterparty must report all derivatives data relating to the derivative to the designated trade repository referred to in paragraph (2)(c) unless the reporting counterparty subsequently changes the designated trade repository under this section..

27. Section 27 is amended by replacing “transaction” with “derivative” whenever it occurs and “unique transaction identifier” with “UTI”.

28. Section 28 is amended by:

(a) replacing subsection (1) with the following:

(1) In all recordkeeping and reporting that is required under this Rule, a designated trade repository and a reporting counterparty must identify each counterparty to a derivative by means of a single legal entity identifier.,

(b) in paragraph (2)(b), adding “to a derivative required to be reported under this Rule” after “counterparty”

(c) repealing subsection (3),

(d) replacing subsection (4), with the following:

(4) Despite subsection (1), if a counterparty to a derivative is an individual or is not eligible to receive a legal entity identifier as determined by the Global Legal Entity Identifier System, the reporting counterparty and the designated trade repository must identify such a counterparty with a single unique alternate identifier., **and**

(e) repealing subsection (5).

29. Section 28.1 is amended by

(a) adding the following heading:

Maintenance and renewal of legal entity identifiers, and

(b) replacing “transaction” with “derivative”.

30. Section 29 is replaced with the following:

Unique transaction identifiers

29. (1) In all recordkeeping and reporting that is required under this Rule, a designated trade repository and a reporting counterparty must identify each derivative and each position under section 33.1, by means of a single UTI.

(2) For each derivative that is required to be reported under this Rule, the following person or company must assign a single UTI to the derivative:

- (a) if the derivative is also required to be reported under the securities legislation of a jurisdiction of Canada other than Ontario, or under the laws of a foreign jurisdiction under which a derivative must be reported before being reported under this Rule, the person or company required to assign the UTI under the securities legislation of that jurisdiction, or under the laws of that foreign jurisdiction;
- (b) if paragraph (a) does not apply to the derivative and the derivative is cleared through a recognized or exempt clearing agency, the recognized or exempt clearing agency;
- (c) if paragraphs (a) and (b) do not apply to the derivative and the transaction relating to the derivative is executed on a derivatives trading facility that has assigned a UTI to the transaction, the derivatives trading facility;
- (d) if paragraphs (a) to (c) do not apply to the derivative, the reporting counterparty or, if there are two reporting counterparties, the reporting counterparty with the first legal entity identifier determined by sorting the legal entity identifiers alphanumerically with the characters of the legal entity identifiers reversed.

(3) Despite paragraph 2(d), if paragraphs 2(a) to (c) do not apply to the derivative and the counterparties to the derivative have agreed in writing that one of them will be the person or company responsible for assigning the UTI to the derivative, the counterparty that is responsible for the assignment under that agreement must assign the UTI.

(4) Despite subsection (2), a person or company that is required to assign a UTI under subsection (2) may request that a designated trade repository assign the UTI if the person or company is either of the following:

- (a) a notional amount threshold derivatives dealer;
- (b) not a recognized or exempt clearing agency, derivatives trading facility or derivatives dealer.

(5) If a person or company makes a request under subsection (4), the designated trade repository must assign a UTI as soon as technologically practicable following receipt of the request.

(6) The person or company referred to in subsection (2) must assign a UTI as soon as practicable after execution of the transaction relating to the derivative and in no event later than the time that the derivative is required to be reported to a designated trade repository under this Rule.

(7) If a derivatives trading facility is required to assign a UTI under subsection (2), the derivatives trading facility must provide the UTI as soon as technologically practicable to the following:

- (a) each counterparty to the derivative;
- (b) if the derivative is submitted for clearing, the recognized or exempt clearing agency to which the derivative is submitted for clearing.

(8) Subject to subsection (4), if one of the counterparties to an uncleared derivative is required to assign a UTI under subsections (2) or (3), the counterparty must provide the UTI as soon as practicable to the following:

- (a) the other counterparty to the derivative;
- (b) if the derivative is submitted for clearing, to the recognized or exempt clearing agency to which the derivative is submitted for clearing.

(9) If a designated trade repository assigns a UTI under subsection (4), it must provide the UTI as soon as technologically practicable to the following:

- (a) each counterparty to the derivative;

- (b) if the derivative is submitted for clearing, to the recognized or exempt clearing agency to which the derivative is submitted for clearing..

31. Section 30 is amended by:

- (a) **in subsection (1) adding “type of” before “derivative”, and replacing “in accordance with international or industry standards” with “by the Derivatives Service Bureau”,**
- (b) **replacing subsection (2) with the following:**
 - (2) In all recordkeeping and reporting that is required under this Rule, a designated trade repository and a reporting counterparty must identify each type of derivative by means of a single unique product identifier., **and**
- (c) **repealing subsections (3) and (4).**

32. Section 31 is amended by:

- (a) **replacing subsection (1) with the following:**
 - (1) Upon execution of a transaction relating to a derivative that is required to be reported under this Rule, a reporting counterparty must report the creation data relating to that derivative to a designated trade repository.
- (b) **in subsections (2) adding “qualified” before “reporting counterparty” and replacing “transaction” with “derivative”,**
- (c) **in subsection (3), replacing “if” with “Despite subsection (2), if”, and adding “qualified” before “reporting counterparty”, and**
- (d) **adding the following subsection:**
 - (5) A reporting counterparty that is not a qualified reporting counterparty in respect of a derivative must report creation data no later than the end of the second business day following the execution date of the transaction.

33. Section 32 is replaced with the following:

Lifecycle event data

32. (1) For a derivative that is required to be reported under this Rule, a qualified reporting counterparty must report all lifecycle event data to a designated trade repository by the end of the business day on which the lifecycle event occurs.

(2) Despite subsection (1), if it is not technologically practicable to report lifecycle event data by the end of the business day on which the lifecycle event occurs, a qualified reporting counterparty must report all lifecycle event data to a designated trade repository no later than the end of the business day following the day on which the lifecycle event occurs.

(3) A reporting counterparty that is not a qualified reporting counterparty in respect of a derivative must report all lifecycle event data to a designed trade repository no later than the end of the second business day following the day on which the lifecycle event occurs.

(4) Despite subsections (1) to (3), the recognized or exempt clearing agency through which a derivative is cleared must report the termination of the original derivative to the designated trade repository to which the derivatives data in respect of that original derivative was reported by the end of the business day following the day on which the original derivative is terminated..

34. Section 33 is replaced with the following:

Valuation data and collateral and margin data

33.(1) For a derivative that is required to be reported under this Rule, a reporting counterparty that is a derivatives dealer or a recognized or exempt clearing agency must report to a designated trade repository each business day

- (a) valuation data, and
- (b) collateral and margin data.

(2) If position level data in respect of derivatives has been reported under section 33.1, the reporting counterparty must calculate and report on the net amount of all purchases and sales reported as position level data for the derivatives..

35. The Instrument is amended by adding the following section:

Position level data

33.1(1) For the purpose of section 32, a reporting counterparty may report lifecycle event data as position level data if each derivative for which the lifecycle event data is aggregated,

- (a) is in a class of derivatives in which each derivative is fungible with all other derivatives in the class, and
- (b) has no fixed expiration date or is a commodity derivative.

(2) For the purpose of subsection 33(1), a reporting counterparty that is a derivatives dealer or a recognized or exempt clearing agency may report valuation data and collateral and margin data as position level data if each derivative, for which the valuation data and collateral and margin data is aggregated,

- (a) is in a class of derivatives in which each derivative is fungible with all other derivatives in the class, and
- (b) has no fixed expiration date or is a commodity derivative.

36. Section 34 is amended by replacing the heading “Pre-existing transactions” with “Pre-existing derivatives”.

37. Section 35 is amended by adding “subsection 26(7) and” after “Despite”.

38. Subsection 36(1) is replaced by the following:

36.(1) A reporting counterparty must keep records relating to a derivative that is required to be reported under this Rule, including transaction records, for 7 years after the date on which the derivative expires or terminates..

39. The Instrument is amended by adding the following section:

Derivatives trading facility

36.1(1) In this section, “anonymous derivative” means a derivative for which the transaction is executed anonymously on a derivatives trading facility and that, at the time the transaction is executed, is intended to be cleared.

- (2) Section 25 does not apply with respect to an anonymous derivative.
- (3) Despite subsection (2), with respect to an anonymous derivative:
 - (a) a reference to “reporting counterparty” in the following provisions must be read as a reference to “derivatives trading facility”: subsections 22.2(2), 26(1), 26(2), 26(3), 26(4), 26(6) and 26(7), paragraph 26.1(a), sections 26.2, 26.3, 26.4 and 27, subsections 28(1), 28(4), 29(1), 30(2) and 31(1), sections 35 and 36, subsection 37(3), and sections 41 and 41.2;
 - (b) a reference to “qualified reporting counterparty” in subsections 31(2) and 31(3) must be read as a reference to “derivatives trading facility”.
- (4) Despite subsection (2), with respect to an anonymous derivative, a derivatives trading facility
 - (a) may report the legal entity identifier of an agent of a counterparty in respect of Data Element Number 1 “Counterparty 1 (reporting counterparty)” and Data Element Number 2 “Counterparty 2 (non-reporting counterparty)” identified in Appendix A if a transaction relating to the derivative is executed before the derivative is allocated among the counterparties on whose behalf the agent is acting;
 - (b) is not required to report the following data elements identified in Appendix A:
 - (i) Data Element Number 20 “Inter-affiliate indicator”;
 - (ii) Data Element Number 24 “Master agreement type”;
 - (iii) Data Element Number 25 “Master agreement version”;
 - (iv) Data Element Number 77 “Clearing exceptions and exemptions - Counterparty 1”;

- (v) Data Element Number 78 "Clearing exceptions and exemptions - Counterparty 2";
- (vi) Data Element Number 96 "Level";
- (vii) Data Element Number 121 "Crypto asset underlying indicator".

(5) Despite subsection (2), with respect to an anonymous derivative, if a derivatives trading facility makes diligent efforts on a reasonably frequent basis to determine whether a participant of the derivatives trading facility, or its customer, is a local counterparty under paragraph (c) of the definition of "local counterparty" in any jurisdiction of Canada, but the derivatives trading facility has not yet made that determination, the participant, or its customer, is not a local counterparty under that paragraph for the purpose of reporting by the derivatives trading facility under this Rule until the earlier of

- (a) the date the derivatives trading facility determines that the participant, or its customer, is a local counterparty under that paragraph, and
- (b) July 31, 2029..

40. Section 38 is amended by:

- (a) *in the heading, replacing "counterparties" with "participants",*
- (b) *in subsection (1) replacing "A designated" with "Subject to section 22.1, a designated", replacing "counterparties to a transaction" with "a participant that is, or is acting on behalf of, a counterparty to a derivative" and replacing "that transaction which" with "the derivative that",*
- (c) *in subsection (2) deleting "verification and", replacing "deal with" with "enable", replacing "pursuant to" with "under", adding "a participant that is a" before "non-reporting", replacing "counterparties" with "counterparty" and deleting "a party", and*
- (d) *in subsection (3) replacing "Each" with "Subject to section 22.1, each" and replacing "transaction" with "derivative", and*
- (e) *in subsection (4) replacing "transaction" with "derivative".*

41. Subsection 39(1) is amended by replacing "number and, where applicable, price, relating to the transactions" with "and number, relating to the derivatives".

42. Subsection 39(2) is amended by, deleting " , geographic location of reference entity or asset", replacing "maturity" with "expiration", and replacing "transaction" with "derivative".

43. Subsection 39(3) is amended by replacing "each transaction" with "each derivative", and adding "for at least one year after each report is first made available" after "Appendix C".

44. Subsection 39(4) is amended by replacing "disclosing" with "making", replacing "required by" with "available for the purpose of", and replacing "the transaction" with "the derivative".

45. Subsection 39(6) is amended by replacing "is not required to make public any derivatives data for transactions entered into between affiliated companies as defined under subsection 1(2) of the Act" with "must not make public derivatives data relating to a derivative between affiliated entities, unless otherwise required by law".

46. Section 40 is replaced with the following:

Commodity derivatives

40.(1) Despite Part 3, and subject to subsection 25(5) and subsection (2) of this section, a local counterparty is not required to report derivatives data relating to a commodity derivative, if

- (a) the local counterparty is not a qualified reporting counterparty, and
- (b) the aggregate month-end gross notional amount under all outstanding commodity derivatives of the local counterparty, and of each affiliated entity of the local counterparty that is a local counterparty in a jurisdiction of Canada, other than under paragraph (b) of the definition of "local counterparty", excluding derivatives with an affiliated entity, did not, in any calendar month in the preceding 12 calendar months, exceed \$250 000 000.

(2) If a local counterparty ceases to satisfy a criterion under paragraph (1) (a) or (b), the local counterparty must, 180 days after the date that the criterion ceased to be satisfied, begin to report derivatives data unless, during that 180-day period, the local counterparty again satisfies the criterion.

47. Section 41 is amended by:

- (a) **adding the following heading:**
Derivatives between a government and its consolidated entity,
- (b) **replacing** “any other section of this Rule” **with** “Part 3”,
- (c) **replacing** “under no obligation” **with** “not required”,
- (d) **replacing** “in relation” **with** “relating”, **and**
- (e) **replacing** “transaction if it is entered into” **with** “derivative”
- (f) **replacing** “Her Majesty” **with** “His Majesty” **wherever it occurs.**

48. Section 41.1 is replaced with the following:

Derivatives between affiliated entities

41.1 Despite Part 3, a reporting counterparty is not required to report derivatives data relating to a derivative if, at the time the transaction is executed,

- (a) the counterparties to the derivative are affiliated entities; and
- (b) neither counterparty is a qualified reporting counterparty..

49. The Instrument is amended by adding the following section:

Derivatives between a non-resident derivatives dealer and a non-local counterparty

41.2 (1) Despite Part 3, a reporting counterparty is not required to report derivatives data relating to a derivative if the derivative is required to be reported solely because one or both counterparties is a local counterparty under paragraph (b) of the definition of “local counterparty”.

(2) Subsection (1) does not apply if the derivative involves a counterparty that is an individual who is a resident of Ontario.

50. Section 42 is amended by adding the following heading:

Exemptions.

51. Appendix A is replaced with the following:

Minimum Data Elements Required to be Reported to a Designated Trade Repository

Under Part 3 of this Rule, the reporting counterparty is required to provide a response for each data element unless the data element is not applicable to the derivative.

Appendix A contains each data element, its description and whether the data element must be made available to the public under each of Part 4 and Appendix C to the Rule.

In this Appendix, “derivatives data reporting rules of any jurisdiction of Canada” means Manitoba Securities Commission Rule 91-507 *Derivatives: Trade Reporting*, Ontario Securities Commission Rule 91-507 *Derivatives: Trade Reporting, Regulation 91-507 respecting Trade Repositories and Derivatives Data Reporting* (Québec) or Multilateral Instrument 96-101 *Derivatives: Trade Reporting*.

Data Elements Related to Counterparties

Data Element Number	Data Element Name	Data Element Description	Made Available to the Public
1	Counterparty 1 (reporting counterparty)	Identifier of the reporting counterparty.	N
2	Counterparty 2 (non-reporting counterparty)	Identifier of the non-reporting counterparty.	N
3	Counterparty 2 identifier source	Type of Counterparty 2 identifier.	N
4	Buyer identifier	Identifier of the counterparty that is the buyer.	N
5	Seller identifier	Identifier of the counterparty that is the seller.	N
6	Payer identifier	Identifier of the counterparty of the payer leg.	N
7	Receiver identifier	Identifier of the counterparty of the receiver leg.	N
8	Broker identifier	Identifier of a broker that acts as an intermediary for Counterparty 1 without becoming a counterparty.	N
9	Country and Province or Territory of Individual (non-reporting counterparty)	If an individual is a non-reporting counterparty, the individual's country of residence and, if the individual's residence is in Canada, the province or territory.	N
10	Jurisdiction of Counterparty 1	Each jurisdiction in which Counterparty 1 is: <ul style="list-style-type: none"> a local counterparty under paragraph (a) or (c) of the definition of local counterparty in the derivatives data reporting rules of any jurisdiction of Canada, a local counterparty under paragraph (b) of the definition of local counterparty in the derivatives data reporting rules of any jurisdiction of Canada, if the non-reporting counterparty is an individual who is a resident of the jurisdiction, and/or a local counterparty under paragraph (b) of the definition of local counterparty in <i>Regulation 91-507 respecting Trade Repositories and Derivatives Data Reporting</i> (Québec) and is a qualified person under section 82 of the <i>Derivatives Act</i> (Québec). 	N
11	Jurisdiction of Counterparty 2	Each jurisdiction in which Counterparty 2 is: <ul style="list-style-type: none"> a local counterparty under paragraph (a) or (c) of the definition of local counterparty in the derivatives data reporting rules of any jurisdiction of Canada, and/or a local counterparty under paragraph (b) of the definition of local counterparty in <i>Regulation 91-507 respecting Trade Repositories and Derivatives Data Reporting</i> (Québec) 	N

		and is a qualified person under section 82 of the <i>Derivatives Act</i> (Québec).	
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Data Elements Related to Derivatives

Data Element Number	Data Element Name	Data Element Description	Made Available to the Public
12	Effective date	Unadjusted date at which obligations under the derivative come into effect, as provided in the confirmation.	Y
13	Expiration date	Unadjusted date at which obligations under the derivative cease to be effective, as provided in the confirmation.	Y
14	Execution timestamp	Date and time of execution of a transaction.	Y
15	Reporting timestamp	Date and time of submission of the report to the trade repository.	N
16	Unique transaction identifier (UTI)	Unique identifier that identifies a derivative or position throughout its lifecycle.	N
17	Prior UTI (for one-to-one and one-to-many relations between transactions)	UTI assigned to a derivative before the occurrence of a lifecycle event that resulted in the current derivative.	N
18	Subsequent position UTI	UTI of the position in which a derivative is included.	N
19	Prior USI (for one-to-one and one-to-many relations between transactions)	Unique swap identifier (USI) assigned to a derivative before the occurrence of a lifecycle event that resulted in the current derivative.	N
20	Inter-affiliate indicator	Indicator of whether the derivative is between two affiliated entities.	N
21	Submitter identifier	Identifier of the entity submitting derivatives data to the trade repository.	N
22	Platform identifier	Identifier of the trading facility on which the transaction was executed.	Y
23	Platform anonymous execution indicator	Indicator of whether the transaction was executed anonymously on a trading facility.	N
24	Master agreement type	Type of master agreement.	N
25	Master agreement version	Year of the master agreement version.	N

Data Elements Related to Notional Amounts and Quantities

Data Element Number	Data Element Name	Data Element Description	Made Available to the Public
26	Notional amount	<p>Notional amount for each leg of a derivative:</p> <ul style="list-style-type: none"> • if the derivative is negotiated in a monetary amount, the amount specified in the derivative. • if the derivative is negotiated in a non-monetary amount, convert to a monetary amount. <div style="border: 1px solid black; padding: 5px; margin-top: 10px;"> <p><i>See Appendix 3.1 of the CSA Derivatives Data Technical Manual for converting a notional amount negotiated in a non-monetary amount. This text box does not form part of this Rule and has no official status.</i></p> </div>	Y
27	Notional currency	For each leg of a derivative, the currency of the notional amount.	Y
28	Call amount	Monetary amount that a person or company has the right to buy under an option.	N
29	Call currency	Currency of the call amount of an option.	N
30	Put amount	Monetary amount that a person or company has the right to sell under an option.	N
31	Put currency	Currency of the put amount of an option.	N
32	Notional quantity	For each leg of a derivative negotiated in a non-monetary amount, the fixed notional quantity for each schedule period.	N
33	Quantity frequency	Period for which the quantity is quoted.	N
34	Quantity frequency multiplier	Number of periods of the quantity frequency.	N
35	Quantity unit of measure	For each leg of a derivative, the unit of measure of the total notional quantity and notional quantity.	N
36	Total notional quantity	For each leg of a derivative, the aggregate notional quantity of the underlying interest for the term of the derivative.	N
37	Notional quantity schedule - Unadjusted date on which the associated notional quantity becomes effective	For each notional quantity set out in a schedule, the date (unadjusted for business day convention) on which the notional quantity becomes effective.	N
38	Notional quantity schedule - Unadjusted end date of the notional quantity	For each notional quantity set out in a schedule, the end date (unadjusted for business day convention) of the notional quantity.	N
39	Notional quantity schedule - Notional quantity in effect on associated effective date	Each notional quantity, as set out in a schedule, in effect from the date referred to in Data Element Number 37 to the date referred to in Data Element Number 38.	N
40	Notional amount schedule - notional amount in effect on associated effective date	Each notional amount, as set out in a schedule, in effect from the date referred to in Data Element Number 41 to the date referred to in Data Element Number 42.	N

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41	Notional amount schedule - unadjusted effective date of the notional amount	For each notional amount set out in a schedule, the date (unadjusted for business day convention) on which the notional amount becomes effective.	N
42	Notional amount schedule - unadjusted end date of the notional amount	For each notional amount set out in a schedule, the end date (unadjusted for business day convention) of the notional amount.	N

Data Elements Related to Prices

Data Element Number	Data Element Name	Data Element Description	Made Available to the Public
43	Exchange rate	Exchange rate between 2 different currencies specified in the derivative.	N
44	Exchange rate basis	Currency pair and order in which the exchange rate is denominated.	N
45	Fixed rate	For each leg of a derivative with periodic payments, the annual rate of the fixed leg.	Y
46	Price	Price specified in the derivative.	Y
47	Price currency	Currency in which the price is denominated.	Y
48	Price notation	Manner in which the price is expressed.	Y
49	Price unit of measure	Unit of measure in which the price is expressed.	N
50	Price schedule - unadjusted effective date of the price	For each price set out in a schedule, the date (unadjusted for business day convention) on which the price becomes effective.	N
51	Price schedule - unadjusted end date of the price	For each price set out in a schedule, the end date (unadjusted for business day convention) of the price.	N
52	Price schedule - price	Each price, as set out in a schedule, in effect from the date referred to in Data Element Number 50 to the date referred to in Data Element Number 51.	N
53	Spread	For each leg of a derivative, the specified spread on the reference price.	Y
54	Spread currency	For each leg of a derivative, the currency in which a spread is denominated.	Y
55	Spread notation	For each leg of a derivative, the manner in which a spread is expressed.	Y
56	Strike price	For a derivative that is an option, the price at which the owner of the option can buy or sell the underlying interest of the option.	Y
57	Strike price currency/currency pair	Currency, or the currency pair and order, in which the strike price is denominated.	N
58	Strike price notation	Manner in which the strike price is expressed.	Y
59	Unadjusted effective date of the price	Effective date (unadjusted for business day convention) of the price.	N
60	Unadjusted end date of the price	End date (unadjusted for business day convention) of the price.	N

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61	Price in effect between the unadjusted effective and end dates	Price in effect from the date referred to in Data Element Number 59 to the date referred to in Data Element Number 60.	N
62	Effective date of the strike price	Effective date (unadjusted for business day convention) of the strike price.	N
63	End date of the strike price	End date (unadjusted for business day convention) of the strike price.	N
64	Strike price in effect on associated effective date	Strike price in effect from the date referred to in Data Element Number 62 to the date referred to in Data Element Number 63.	N
65	Strike price schedule – Unadjusted effective date of the strike price	For each strike price set out in a schedule, the date (unadjusted for business day convention) on which the strike price becomes effective.	N
66	Strike price schedule – Unadjusted end date of the strike price	For each strike price set out in a schedule, the end date (unadjusted for business day convention) of the strike price.	N
67	Strike price schedule - strike price	Each strike price, as set out in a schedule, in effect from the date referred to in Data Element Number 65 to the date referred to in Data Element Number 66.	N
68	Non-standardized term indicator	Indicator of whether a derivative has one or more additional provisions that materially affect the price of the derivative and that have not been disclosed to the public.	Y
69	Day count convention	For each leg of a derivative, the day count convention used to determine how interest payments are calculated.	Y
70	Floating rate reset frequency period	For each floating leg of a derivative, the period of the frequency of resets.	Y
71	Floating rate reset frequency period multiplier	For each floating leg of a derivative, the number by which the floating rate reset frequency period is multiplied to determine the frequency of periodic payment dates in respect of a reset.	Y

Data Elements Related to Clearing

Data Element Number	Data Element Name	Data Element Description	Made Available to the Public
72	Cleared	Indicator of whether a derivative has been cleared, or is intended to be cleared, by a clearing agency.	Y
73	Central counterparty identifier	Identifier of the clearing agency that cleared the derivative.	N
74	Clearing account origin	Indicator of whether the clearing member acts as principal or agent.	N
75	Clearing member identifier	Identifier of the clearing member through which a derivative is cleared by a clearing agency.	N
76	Clearing receipt timestamp	Date and time, expressed using Coordinated Universal Time, that the original derivative was recorded as being received by the clearing agency for clearing.	N
77	Clearing exceptions and exemptions - Counterparty 1	Type of exemption from or exception to a mandatory clearing requirement applicable to Counterparty 1.	N

78	Clearing exceptions and exemptions – Counterparty 2	Type of exemption from or exception to a mandatory clearing requirement applicable to Counterparty 2.	N
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Data Elements Related to Collateral and Margin

Data Element Number	Data Element Name	Data Element Description	Made Available to the Public
79	Collateralisation category	Indicator of whether there is an agreement in respect of collateral between the counterparties and the nature of the collateralisation.	N
80	Portfolio containing non-reportable component indicator	If collateral is reported on a portfolio basis, indicator of whether the portfolio includes derivatives exempted or excepted from reporting.	N
81	Initial margin posted by the reporting counterparty (pre-haircut)	Monetary value of the initial margin posted by the reporting counterparty before a haircut is applied.	N
82	Initial margin posted by the reporting counterparty (post-haircut)	Monetary value of the initial margin posted by the reporting counterparty after a haircut is applied.	N
83	Currency of initial margin posted	Currency in which the initial margin posted is denominated.	N
84	Initial margin collected by the reporting counterparty (pre-haircut)	Monetary value of the initial margin collected by the reporting counterparty before a haircut is applied.	N
85	Initial margin collected by the reporting counterparty (post-haircut)	Monetary value of the initial margin collected by the reporting counterparty after a haircut is applied.	N
86	Currency of initial margin collected	Currency in which the initial margin collected is denominated.	N
87	Variation margin posted by the reporting counterparty (pre-haircut)	Monetary value of the variation margin posted by the reporting counterparty before a haircut is applied.	N
88	Variation margin posted by the reporting counterparty (post-haircut)	Monetary value of the variation margin posted by the reporting counterparty after a haircut is applied.	N
89	Currency of variation margin posted	Currency in which the variation margin posted is denominated.	N
90	Variation margin collected by the reporting counterparty (pre-haircut)	Monetary value of the variation margin collected by the reporting counterparty before a haircut is applied.	N
91	Variation margin collected by the reporting counterparty (post-haircut)	Monetary value of the variation margin collected by the reporting counterparty after a haircut is applied.	N
92	Currency of variation margin collected	Currency in which the variation margin collected is denominated.	N

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93	Variation margin collateral portfolio code	If collateral is reported on a portfolio basis, a unique code assigned by the reporting counterparty that identifies the variation margin related to the open transactions that are included in the portfolio.	N
94	Initial margin collateral portfolio code	If collateral is reported on a portfolio basis, a unique code assigned by the reporting counterparty that identifies the initial margin related to the open transactions that are included in the portfolio.	N

Data Elements Related to Actions and Events

Data Element Number	Data Element Name	Data Element Description	Made Available to the Public
95	Event timestamp	Date and time of occurrence of an event relating to a derivative.	Y
96	Level	Indicator of whether the report is in respect of a derivative or a position.	N
97	Event identifier	Unique identifier that links derivatives relating to an event.	N
98	Action type	Indicator of the type of action or reporting relating to the derivative or position.	Y
99	Event type	Indicator of the type of lifecycle event or reason for the action referred to in Data Element Number 98.	Y
100	Amendment indicator	Indicator of whether an amendment to the derivative relates to an event.	Y

Data Elements Related to Valuation

Data Element Number	Data Element Name	Data Element Description	Made Available to the Public
101	Valuation amount	Value of the derivative.	N
102	Valuation currency	Currency in which the valuation amount is denominated.	N
103	Valuation method	Source and method used to value the derivative.	N
104	Valuation timestamp	Date and time that the value of the derivative referred to in Data Element Number 101 was determined.	N
105	Next floating reference reset date	Next date on which the floating reference will reset.	N
106	Last floating reference value	Value of the floating reference on the date referred to in Data Element Number 107.	N
107	Last floating reference reset date	Most recent date of the floating reference reset.	N
108	Delta	Ratio of the change in the price of the derivative to the change in the price of the underlying interest of the derivative.	N

Data Elements Related to Packages

Data Element Number	Data Element Name	Data Element Description	Made Available to the Public
109	Package indicator	Indicator of whether the derivative is a component of a package if (a) 2 or more derivatives that are reported separately by the reporting counterparty are entered into under a single agreement, or (b) 2 or more reports relate to the same derivative and the derivative cannot be reported using a single report as a result of the reporting requirements of one or more jurisdictions of Canada or one or more foreign jurisdictions.	Y
110	Package identifier	Identifier of the package referred to in Data Element Number 109.	N
111	Package transaction price	Price of the package referred to in Data Element Number 109.	N
112	Package transaction price currency	Currency in which the package transaction price is denominated.	N
113	Package transaction spread	Price of the package referred to in Data Element 109, expressed as a spread.	N
114	Package transaction spread currency	Currency in which the package transaction spread is denominated.	N
115	Package transaction spread notation	Manner in which the package transaction spread is expressed.	N
116	Package transaction price notation	Manner in which the package transaction price is expressed.	N

Data Elements Related to Product

Data Element Number	Data Element Name	Data Element Description	Made Available to the Public
117	Unique product identifier	Identifier of a unique code assigned by the Derivatives Service Bureau for a type of derivative.	Y
118	CDS index attachment point	Point at which the level of losses in the underlying portfolio of a credit default swap reduces the notional of a tranche.	N
119	CDS index detachment point	Point beyond which losses in the underlying portfolio of a credit default swap no longer reduce the notional of a tranche.	N
120	Index factor	Factor of the index version, or the percentage, used to determine the notional amount of a credit default swap.	Y
121	Crypto asset underlying indicator	Indicator of whether the underlying interest of the derivative is a crypto asset.	N
122	Custom basket code	Unique identifier for a custom basket of reference assets.	N
123	Custom basket indicator	Indicator of whether the derivative has a custom basket as its underlying interest.	Y
124	Basket constituent identifier	Identifier of a reference asset in the custom basket.	N

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125	Basket constituent identifier source	Source of the basket constituent identifier referred to in Data Element Number 124.	N
126	Basket constituent number of units	Number of units of each reference asset in the custom basket.	N
127	Basket constituent unit of measure	Unit of measure in which the number of units referred to in Data Element Number 126 is expressed.	N
128	Underlier ID (Other)	Identifier of each underlying interest of the derivative.	N
129	Underlier ID (Other) source	Source of the Underlier ID (Other) referred to in Data Element Number 128.	N
130	Underlying asset trading platform identifier	Identifier of the platform on which the underlying interest referred to in Data Element Number 128 is traded.	N
131	Underlying asset price source	Source of the price used to determine the value or level of the underlying interest referred to in Data Element Number 128.	N
132	Embedded option type	Type of optional provision in a derivative.	Y

Data Elements Related to Payments and Settlement

Data Element Number	Data Element Name	Data Element Description	Made Available to the Public
133	Final contractual settlement date	Date in the agreement by which all obligations under the derivative are to be satisfied.	N
134	Settlement location	Place of settlement of the derivative.	N
135	Settlement currency	For each leg of the derivative, the currency in which the cash settlement is denominated.	Y
136	Other payment amount	Amount of each payment under the derivative except an option premium amount under Data Element Number 144.	Y
137	Other payment currency	Currency in which the other payment amount referred to in Data Element Number 136 is denominated.	Y
138	Other payment date	Date on which the other payment amount referred to in Data Element Number 136 is to be paid.	N
139	Other payment payer	Identifier of the payer of the other payment amount referred to in Data Element Number 136.	N
140	Other payment receiver	Identifier of the receiver of the other payment amount referred to in Data Element Number 136.	N
141	Other payment type	Reason for the payment referred to in Data Element Number 136.	Y
142	Payment frequency period	For each leg of a derivative, the unit of time of the frequency of payments.	Y
143	Payment frequency period multiplier	For each leg of a derivative, the number by which the payment frequency period is multiplied to determine the frequency of periodic payment dates.	Y
144	Option premium amount	Premium paid by a buyer of an option or swaption.	Y

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145	Option premium currency	Currency in which the premium referred to in Data Element Number 144 is denominated.	Y
146	Option premium payment date	Date on which the premium referred to in Data Element Number 144 is paid.	N
147	First exercise date	First date on which an option can be exercised.	Y
148	Fixing date	For each leg of a derivative, the date on which the reference rate is determined.	N

52. The chart in Appendix B is replaced with the following:

Jurisdiction	Law, Regulation and/or Instrument
European Union	<p>Regulation (EU) 648/2012 of the European Parliament and Council of 4 July 2012 on OTC derivatives, central counterparties and trade repositories</p> <p>Commission Delegated Regulation (EU) 2017/979 of 2 March 2017 amending Regulation (EU) No 648/2012 of the European Parliament and of the Council on OTC derivatives, central counterparties and trade repositories with regard to the list of exempted entities</p> <p>Commission Delegated Regulation (EU) 2019/460 of 30 January 2019 amending Regulation (EU) No 648/2012 of the European Parliament and of the Council with regard to the list of exempted entities</p> <p>Regulation (EU) 2019/834 of the European Parliament and of the Council of 20 May 2019 amending Regulation (EU) No 648/2012 as regards the clearing obligation, the suspension of the clearing obligation, the reporting requirements, the risk-mitigation techniques for OTC derivative contracts not cleared by a central counterparty, the registration and supervision of trade repositories and the requirements for trade repositories</p> <p>Commission Delegated Regulation (EU) No 148/2013 of 19 December 2012 supplementing Regulation (EU) No 648/2012 of the European Parliament and of the Council on OTC derivatives, central counterparties and trade repositories with regard to regulatory technical standards on the minimum details of the data to be reported to trade repositories</p> <p>Commission Delegated Regulation (EU) 2017/104 of 19 October 2016 amending Delegated Regulation (EU) No 148/2013 supplementing Regulation (EU) No 648/2012 of the European Parliament and of the Council on OTC derivatives, central counterparties and trade repositories with regard to regulatory technical standards on the minimum details of the data to be reported to trade repositories</p> <p>Commission Delegated Regulation (EU) No 151/2013 of 19 December 2012 supplementing Regulation (EU) No 648/2012 of the European Parliament and of the Council on OTC derivatives, central counterparties and trade repositories, with regard to regulatory technical standards specifying the data to be published and made available by trade repositories and operational standards for aggregating, comparing and accessing the data</p> <p>Commission Delegated Regulation (EU) 2017/1800 of 29 June 2017 amending Delegated Regulation (EU) No 151/2013 supplementing Regulation (EU) No 648/2012 of the European Parliament and of the Council</p> <p>Commission Delegated Regulation (EU) 2019/361 of 13 December 2018 amending Delegated Regulation (EU) No 151/2013 with regard to access to the data held in trade repositories</p> <p>Commission Implementing Regulation (EU) No 1247/2012 of 19 December 2012 laying down implementing technical standards with regard to the format and</p>

Jurisdiction	Law, Regulation and/or Instrument
	<p>frequency of trade reports to trade repositories according to Regulation (EU) No 648/2012 of the European Parliament and of the Council on OTC derivatives, central counterparties and trade repositories</p> <p>Commission Implementing Regulation (EU) 2017/105 of 19 October 2016 amending Implementing Regulation (EU) No 1247/2012 laying down implementing technical standards with regard to the format and frequency of trade reports to trade repositories according to Regulation (EU) No 648/2012 of the European Parliament and of the Council on OTC derivatives, central counterparties and trade repositories</p> <p>Commission Implementing Regulation (EU) 2019/363 of 13 December 2018 laying down implementing technical standards with regard to the format and frequency of reports on the details of securities financing transactions (SFTs) to trade repositories in accordance with Regulation (EU) 2015/2365 of the European Parliament and of the Council and amending Commission Implementing Regulation (EU) No 1247/2012 with regard to the use of reporting codes in the reporting of derivative contracts</p>
<p>United Kingdom of Great Britain and Northern Ireland</p>	<p>The Over the Counter Derivatives, Central Counterparties and Trade Repositories (Amendment, etc., and Transitional Provision) (EU Exit) Regulations 2019</p> <p>The Over the Counter Derivatives, Central Counterparties and Trade Repositories (Amendment, etc., and Transitional Provision) (EU Exit) (No. 2) Regulations 2019</p> <p>The Over the Counter Derivatives, Central Counterparties and Trade Repositories (Amendment, etc., and Transitional Provision) (EU Exit) Regulations 2020</p> <p>The Trade Repositories (Amendment and Transitional Provision) (EU Exit) Regulations 2018</p> <p>The Technical Standards (European Market Infrastructure Regulation) (EU Exit) (No 1) Instrument 2019</p> <p>The Technical Standards (European Market Infrastructure Regulation) (EU Exit) (No 2) Instrument 2019</p> <p>The Technical Standards (European Market Infrastructure Regulation) (EU Exit) (No 3) Instrument 2019</p> <p>The Technical Standards (European Market Infrastructure Regulation) (EU Exit) (No 4) Instrument 2019</p> <p>The Technical Standards (Miscellaneous Amendments) (EU Exit) Instrument 2020</p>
<p>United States of America</p>	<p>CFTC Real-Time Public Reporting of Swap Transaction Data, 17 C.F.R. Part 43</p> <p>CFTC Swap Data Recordkeeping and Reporting Requirements, 17 C.F.R. Part 45</p> <p>CFTC Swap Data Recordkeeping and Reporting Requirements: Pre-Enactment and Transition Swaps, 17 C.F.R. Part 46</p>

53. **Appendix C is amended by deleting “Instructions:”.**

54. **Section 1 in Appendix C is replaced with the following:**

1. Subject to items 2 through 6, a designated trade repository must make available to the public, at no cost, for each data element set out in Appendix A opposite a “Y” in the “Made Available to the Public” column of that appendix, the data elements contained in Table 1 for a derivative in any of the asset classes and underlying asset identifiers listed in Table 2 for all of the following:
 - (a) each derivative reported to the designated trade repository under this Rule;

- (b) each lifecycle event that changes the pricing of an existing derivative reported to the designated trade repository under this Rule;
- (c) each cancellation of a reported transaction or a correction of data relating to a transaction that was previously made available to the public, in each case resulting in a derivative referred to in paragraph (a) or a lifecycle event referred to in paragraph (b)..

55. Table 1 in Appendix C is replaced with the following:

#	Data Element Name	Data Element Description	Data Element Format	Allowable Values for Data Element
D1	Dissemination identifier	Unique and random identifier assigned by a designated trade repository for each data message made available to the public.	Varchar(52)	Up to 52 alphanumeric characters
D2	Original dissemination identifier	For the following action types reported to the designated trade repository under Data Element Number 98 of Appendix A, the Dissemination identifier assigned under Data Element Number D1: (a) Correct; (b) Terminate; (c) Error; (d) Revive; (e) Modify, if the Amendment indicator in Data Element Number 100 of Appendix A is reported to the designated trade repository as True.	Varchar(52)	Up to 52 alphanumeric characters
D3	Dissemination timestamp	Date and time, to the nearest second, that a designated trade repository makes data available to the public.	YYYY-MM-DDThh:mm:ssZ, based on Coordinated Universal Time	Any valid date/time based on ISO 8601 Date and time format.
D4	Unique product identifier short name	A humanly readable description made available by the Derivatives Service Bureau corresponding to the unique product identifier.	A list of allowable values and their format will be published by the Derivatives Service Bureau.	A list of allowable values and their format will be published by the Derivatives Service Bureau.

56. Table 2 in Appendix C is replaced with the following:

Asset Class	Underlying Asset Identifier
Interest Rate	CAD-BA-CDOR
Interest Rate	USD-LIBOR-BBA
Interest Rate	EUR-EURIBOR-Reuters

Interest Rate	GBP-LIBOR-BBA
Credit	All Indexes
Equity	All Indexes

57. Section 2 in Appendix C is amended by

- (a) in the heading, replacing “Exclusions:” with “Exclusions”,*
- (b) replacing “Notwithstanding item 1, each of” with “Item 1 does not apply to”,*
- (c) deleting “is excluded from the requirement to be publicly disseminated”,*
- (d) in paragraph (a) deleting “a transaction in”,*
- (e) in paragraph (b) replacing “transaction” with “derivative”, and*
- (f) in paragraph (c) replacing “transaction” with “derivative”.*

58. Section 3 in Appendix C is replaced with the following:

Rounding

- 3. A designated trade repository must round, in accordance with the rounding conventions contained in Table 3, the notional amount of a derivative for which it makes transaction level data available to the public in accordance with the Rule and item 1 of this Appendix.

59. Section 4 in Appendix C is replaced with the following:

Capping

- 4. If the rounded notional amount, as determined under item 3, of a derivative referred to in item 1 exceeds the capped rounded notional amount, in Canadian dollars, according to the asset class and expiration date less effective date set out in Table 4 for that derivative, a designated trade repository must make available to the public the capped rounded notional amount for the derivative in place of the rounded notional amount.

60. Section 5 in Appendix C is replaced with the following:

- 5. When making transaction level data for a derivative to which item 4 applies available to the public, a designated trade repository must state that the notional amount for the derivative has been capped.

61. Section 6 in Appendix C is replaced with the following:

- 6. For each derivative referred to in item 1 for which the capped rounded notional amount is made available to the public, if the data to be made available to the public includes an option premium, a recognized trade repository must adjust the option premium in a manner that is consistent with and proportionate to the capping and rounding of the reported notional amount of the derivative.

62. Table 4 in Appendix C is amended by replacing “Maturity” with “Expiration”.

63. Section 7 in Appendix C is replaced with the following:

Timing

- 7. A designated trade repository must make the information referred to in item 1 available to the public 48 hours after the time reported for Data Element Number 14 of Appendix A for the derivative.

64. Appendix C is amended by adding the following section:

- 8. If it is not technologically practicable to make the required information available to the public 48 hours after the time reported for Data Element Number 14 of Appendix A for the derivative due to periods of downtime required for operational maintenance, system upgrades, system repairs, disaster recovery exercises or any other exercises related to operating the designated trade repository in accordance with this Rule and its designation order, the designated trade repository must make the required information available to the public as soon as technologically practicable following the conclusion of the period of downtime..

B.5: Rules and Policies

65. ***Form 91-507F1 Application for Designation Trade Repository Information Statement is amended by replacing “Trade Repositories and Derivatives Data Reporting” with “Derivatives: Trade Reporting” and in item 7 of Exhibit E, “accurately, completely” with “without error or omission”.***
66. ***Form 91-507F3 Cessation of Operations Report for Trade Repository is amended by replacing, in Exhibit C, “transaction” with “derivative” and “– Trade Repositories and Derivatives Data Reporting” with “Derivatives: Trade Reporting”.***
67. ***This Instrument comes into force on July 25, 2025.***

B.5.2 Consequential Amendments to OSC Rule 13-502 Fees

**CONSEQUENTIAL AMENDMENTS TO
ONTARIO SECURITIES COMMISSION RULE 13-502 FEES**

1. ***Ontario Securities Commission Rule 13-502 Fees is amended by this Instrument.***
2. ***Section 1 is amended in the definition of “OSC Rule 91-507” by replacing “Trade Repositories and Derivatives Data Reporting” with “Derivatives: Trade Reporting”.***
3. ***Paragraph 29. (1)(a) is amended by***
 - (a) ***adding “derivative for which a” after “any”, and***
 - (b) ***adding “occurred” after “transaction”.***
4. ***Section 30 is amended by***
 - (a) ***replacing “transaction” wherever it occurs with “derivative”, and***
 - (b) ***replacing “transactions” wherever it occurs with “derivatives”.***
5. ***This Instrument comes into force on July 25, 2025.***

B.7 Insider Reporting

This chapter is available in the print version of the OSC Bulletin, as well as in Thomson Reuters Canada's internet service SecuritiesSource (see www.westlawnextcanada.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).

B.9

IPOs, New Issues and Secondary Financings

INVESTMENT FUNDS

Issuer Name:

RGP Emerging Markets Fund
RGP Global Equity Concentrated Fund
RGP Global Infrastructure Fund
Principal Regulator – Quebec

Type and Date:

Final Simplified Prospectus dated Oct 1, 2024
NP 11-202 Final Receipt dated Oct 2, 2024

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Filing #06156987

Issuer Name:

IA Clarington Agile Global Total Return Income Fund
Principal Regulator – Quebec

Type and Date:

Final Simplified Prospectus dated Oct 1, 2024
NP 11-202 Final Receipt dated Oct 3, 2024

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Filing #06181494

Issuer Name:

IG Growth Portfolio – Canadian Equity (formerly IG Managed Growth Portfolio – Canadian Focused Equity)
IG Mackenzie Global Science & Technology Fund II
IG Mackenzie Global Tactical Bond Fund (formerly IG Mackenzie Global Bond Fund)
IG Mackenzie International Small Cap Fund
IG Mackenzie Ivy European Fund
IG Mackenzie Mortgage and Short Term Income Fund
IG Mackenzie Mutual of Canada
IG Mackenzie North American Corporate Bond Fund (formerly IG Mackenzie High Yield Fixed Income Fund)
IG Mackenzie North American Equity Fund
IG Mackenzie Pacific International Fund
IG Mackenzie Pacific International Fund II
IG Mackenzie Pan Asian Equity Fund
IG Mackenzie Strategic Income Fund
IG Mackenzie U.S. Dividend Registered Fund
IG Mackenzie U.S. Dollar Fund - Global Equity
IG Mackenzie U.S. Dollar Fund - Global Equity Balanced
IG Mackenzie U.S. Dollar Fund - Global Fixed Income Balanced
IG Mackenzie U.S. Dollar Fund - Global Neutral Balanced
IG Mackenzie U.S. Equity Fund (formerly IG Mackenzie Core U.S. Equity Fund)
IG Mackenzie U.S. Money Market Fund
IG Mackenzie U.S. Small-Mid Cap Growth Fund (formerly IG Mackenzie U.S. Opportunities Fund)
IG Mackenzie U.S. Small-Mid Cap Growth Fund II (formerly IG Mackenzie U.S. Opportunities Fund II)
Principal Regulator – Manitoba
Principal Regulator – Ontario

Type and Date:

Amendment No. 1 to Final Simplified Prospectus dated September 23, 2024
NP 11-202 Final Receipt dated October 1, 2024

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Filing #06137212

Issuer Name:

NBI Global Climate Ambition Fund
NBI Senior Loan Fund
NBI Sustainable Global Bond Fund
Principal Regulator – Quebec

Type and Date:

Final Simplified Prospectus dated Oct 4, 2024
NP 11-202 Final Receipt dated Oct 4, 2024

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Filing #06167522

Issuer Name:

IA Clarington Multi-Strategy Alternative Pool
Principal Regulator – Quebec

Type and Date:

Preliminary Simplified Prospectus dated Oct 1, 2024
NP 11-202 Preliminary Receipt dated Oct 2, 2024

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Filing #06189172

Issuer Name:

IG Mackenzie Canadian Bond Fund (formerly IG Mackenzie Income Fund)
IG Mackenzie Canadian Corporate Bond Fund
IG Mackenzie Canadian Dividend & Income Equity Fund (formerly IG Mackenzie Canadian Dividend & Income Equity Fund)
IG Mackenzie Canadian Equity Fund (formerly IG Mackenzie Dividend Growth Fund)
IG Mackenzie Canadian Money Market Fund
IG Mackenzie Canadian Small Cap Fund (formerly IG Mackenzie Canadian Small/Mid Cap Fund)
IG Mackenzie Canadian Small Cap Fund II (formerly IG Mackenzie Canadian Small/Mid Cap Fund II)
IG Mackenzie Dividend Fund
IG Mackenzie European Equity Fund
IG Mackenzie European Mid-Cap Equity Fund
IG Mackenzie Floating Rate Income Fund
IG Mackenzie Global Consumer Companies Fund
IG Mackenzie Global Dividend Fund
IG Mackenzie Global Financial Services Fund
IG Mackenzie Global Fund
IG Mackenzie Global Fund II
IG Mackenzie Global Health Care Fund
IG Mackenzie Global Infrastructure Fund
IG Mackenzie Global Precious Metals Fund
IG Mackenzie Global Resources Fund (formerly IG Mackenzie Global Natural Resources Fund)
IG Mackenzie Global Resources Fund II (formerly IG Mackenzie Global Natural Resources Fund II)
IG Mackenzie Global Science & Technology Fund
Principal Regulator – Manitoba

Type and Date:

Amendment No. 1 to Final Simplified Prospectus dated September 21, 2024
NP 11-202 Final Receipt dated Oct 1, 2024

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Filing #06137195

Issuer Name:

IG Growth Portfolio – Canadian Balanced (formerly IG Managed Growth Portfolio – Canadian Neutral Balanced)
IG Growth Portfolio – Global Balanced (formerly IG Managed Growth Portfolio – Global Neutral Balanced)
IG Income Portfolio – Growth (formerly IG Managed Payout Portfolio with Growth)
IG Income Portfolio – Growth Plus (formerly IG Managed Payout Portfolio with Enhanced Growth)
IG Income Portfolio (formerly IG Managed Payout Portfolio)
IG Low Volatility Portfolio – Balanced (formerly IG Managed Risk Portfolio – Balanced)
IG Low Volatility Portfolio – Growth (formerly IG Managed Risk Portfolio – Growth Focus)
IG Low Volatility Portfolio – Income Balanced (formerly IG Managed Risk Portfolio – Income Balanced)
IG Low Volatility Portfolio – Income Focus (formerly IG Managed Risk Portfolio – Income Focus)
IG Managed Growth Portfolio – Global Equity (formerly IG Managed Growth Portfolio Global Equity)
IG Managed Growth Portfolio – Global Equity Balanced (formerly IG Managed Growth Portfolio – Global Equity Balanced)
IG PIMCO Global Bond Fund
IG Putnam U.S. Growth Fund
IG Putnam U.S. High Yield Income Fund
IG T. Rowe Price U.S. Large Cap Equity Fund
IG Target Education 2030 Portfolio
IG Target Education 2035 Portfolio
IG Target Education 2040 Portfolio
IG U.S. Taxpayer Portfolio - Global Equity
IG U.S. Taxpayer Portfolio - Global Equity Balanced
IG U.S. Taxpayer Portfolio - Global Fixed Income Balanced
IG U.S. Taxpayer Portfolio - Global Neutral Balanced
Principal Regulator – Manitoba

Type and Date:

Amendment No. 1 to Final Simplified Prospectus dated September 21, 2024
NP 11-202 Final Receipt dated Oct 1, 2024

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Filing # 06137442

Issuer Name:

Mackenzie Maximum Diversification All World Developed ex North America Index ETF
Mackenzie Maximum Diversification All World Developed Index ETF
Mackenzie Maximum Diversification Canada Index ETF
Mackenzie Maximum Diversification Emerging Markets Index ETF
Mackenzie Maximum Diversification US Index ETF
Principal Regulator – Ontario

Type and Date:

Amendment No. 1 to Final Long Form Prospectus dated October 4, 2024
NP 11-202 Final Receipt dated Oct 7, 2024

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Filing # 06141776

Issuer Name:

IG Beutel Goodman Canadian Balanced Fund
IG Beutel Goodman Canadian Equity Fund
IG Beutel Goodman Canadian Small Cap Fund
IG BlackRock International Equity Fund
IG Climate Action Portfolio - Global Equity
IG Climate Action Portfolio - Global Equity Balanced
IG Climate Action Portfolio - Global Fixed Income Balanced
IG Climate Action Portfolio - Global Neutral Balanced
IG Core Portfolio - Balanced
IG Core Portfolio - Balanced Growth
IG Core Portfolio - Global Income
IG Core Portfolio - Growth
IG Core Portfolio - Income
IG Core Portfolio - Income Balanced
IG Core Portfolio - Income Focus
IG Core Portfolio - Income Plus (formerly Investors Income Plus Portfolio)
IG Cornerstone Portfolio
IG FI Canadian Equity Fund
IG Franklin ClearBridge Canadian Equity Fund (formerly IG Franklin Bissett Canadian Equity Fund)
IG Graduation Portfolio
IG JPMorgan Emerging Markets Fund
IG JPMorgan Emerging Markets Fund II
IG Mackenzie Betterworld SRI Fund
Principal Regulator – Manitoba

Type and Date:

Amendment No. 1 to Final Simplified Prospectus dated September 23, 2024
NP 11-202 Final Receipt dated Oct 1, 2024

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Filing # 06137097

Issuer Name:

CI Balanced Asset Allocation Fund
CI Balanced Growth Asset Allocation Fund
CI Balanced Income Asset Allocation Fund
CI Conservative Asset Allocation Fund
CI Equity Asset Allocation Fund
CI Growth Asset Allocation Fund
Principal Regulator – Ontario

Type and Date:

Final Simplified Prospectus dated Oct 2, 2024
NP 11-202 Final Receipt dated Oct 3, 2024

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Filing # 06184973

Issuer Name:

Symmetry Conservative Portfolio
Principal Regulator – Ontario

Type and Date:

Amendment No. 3 to Final Simplified Prospectus dated
September 27, 2024
NP 11-202 Final Receipt dated Oct 1, 2024

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Filing # 06051828

Issuer Name:

Guardian U.S. Equity Fund
Principal Regulator – Ontario

Type and Date:

Amendment No. 2 to Final Simplified Prospectus dated
October 2, 2024
NP 11-202 Final Receipt dated Oct 4, 2024

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Filing # 06095024

Issuer Name:

AMD (AMD) Yield Shares Purpose ETF
META (META) Yield Shares Purpose ETF
Principal Regulator – Ontario

Type and Date:

Preliminary Simplified Prospectus dated October 4, 2024
NP 11-202 Preliminary Receipt dated October 7, 2024

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Filing #06184020

Issuer Name:

Apple (AAPL) Yield Shares Purpose ETF
Amazon (AMZN) Yield Shares Purpose ETF
Tesla (TSLA) Yield Shares Purpose ETF
Berkshire Hathaway (BRK) Yield Shares Purpose ETF
Alphabet (GOOGL) Yield Shares Purpose ETF
Microsoft (MSFT) Yield Shares Purpose ETF
NVIDIA (NVDA) Yield Shares Purpose ETF
Principal Regulator – Ontario

Type and Date:

Amended and Restated Preliminary Simplified Prospectus
dated October 4, 2024
NP 11-202 Amended and Restated Preliminary Receipt
dated October 7, 2024

Offering Price and Description:

-

Underwriter(s) or Distributor(s):

-

Promoter(s):

-

Filing #06184020

NON-INVESTMENT FUNDS

Issuer Name:

DMG Blockchain Solutions Inc.

Principal Regulator – British Columbia

Type and Date:

Final Shelf Prospectus dated October 1, 2024

NP 11-202 Final Receipt dated October 3, 2024

Offering Price and Description:

\$400,000,000 - Common Shares, Warrants, Subscription Receipts, Units, Debt Securities

Filing # 06169243

Issuer Name:

Fraser Big Sky Capital Corp.

Principal Regulator – British Columbia

Type and Date:

Preliminary CPC Prospectus dated September 27, 2024

NP 11-202 Preliminary Receipt dated October 2, 2024

Offering Price and Description:

Minimum Offering: \$200,000 or 2,000,000 Common Shares

Maximum Offering: \$450,000 or 4,500,000 Common Shares

Price: \$0.10 per Common Share

Filing # 06189606

Issuer Name:

Equinox Gold Corp.

Principal Regulator – British Columbia

Type and Date:

Final Shelf Prospectus dated October 1, 2024

NP 11-202 Final Receipt dated October 2, 2024

Offering Price and Description:

Common Shares, Debt Securities, Subscription Receipts, Share Purchase Contracts, Units, Warrants

Filing # 06189162

Issuer Name:

Allied Gold Corporation

Principal Regulator – Ontario

Type and Date:

Final Shelf Prospectus dated October 1, 2024

NP 11-202 Final Receipt dated October 2, 2024

Offering Price and Description:

US\$500,000,000 - Common Shares, Debt Securities, Subscription Receipts, Units, Warrants

Filing # 06181126

Issuer Name:

Integral Metals Corp.

Principal Regulator – Alberta

Type and Date:

Amendment to Preliminary Long Form Non-Offering Prospectus dated September 30, 2024

NP 11-202 Amendment Receipt dated October 1, 2024

Offering Price and Description:

No securities are being offered pursuant to this prospectus

Filing # 06154133

Issuer Name:

Atrium Mortgage Investment Corporation

Principal Regulator – Ontario

Type and Date:

Final Short Form Prospectus dated October 1, 2024

NP 11-202 Final Receipt dated October 1, 2024

Offering Price and Description:

\$25,018,250

2,185,000 Common Shares

\$11.45 per Offered Share

Filing # 06185090

Issuer Name:

RIOCAN REAL ESTATE INVESTMENT TRUST

Principal Regulator – Ontario

Type and Date:

Final Shelf Prospectus dated September 30, 2024

NP 11-202 Final Receipt dated October 1, 2024

Offering Price and Description:

Debt Securities (Senior Unsecured), Units, Preferred Units

Filing # 06188672

Issuer Name:

Brazil Potash Corp

Principal Regulator – Ontario

Type and Date:

Preliminary Long Form Prospectus dated September 27, 2024

NP 11-202 Preliminary Receipt dated September 30, 2024

Offering Price and Description:

US\$*

* Common Shares

US\$* per Common Share

Filing # 06188534

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B.10 Registrations

B.10.1 Registrants

Type	Company	Category of Registration	Effective Date
Amalgamation	Counsel Portfolio Services Inc./Services de Portefeuille Counsel Inc. and CANADA LIFE INVESTMENT MANAGEMENT LTD. / GESTION DE PLACEMENTS CANADA VIE LTÉE To form: CANADA LIFE INVESTMENT MANAGEMENT LTD. / GESTION DE PLACEMENTS CANADA VIE LTÉE	From: Portfolio Manager, Investment Fund Manager and Commodity Trading Manger To: Portfolio Manager, Investment Fund Manager and Commodity Trading Manger	October 1, 2024
New Registration	Marnoa Private Wealth Counsel Ltd.	Portfolio Manager and Exempt Market Dealer	October 1, 2024
New Registration	Aretec Wealth Inc.	Portfolio Manager	October 2, 2024
Voluntary Surrender	GMG Private Counsel ULC	Investment Fund Manager, Portfolio Manager and Exempt Market Dealer	October 1, 2024
Change in Registration Category	Sagard Holdings Manager (Canada) Inc.	From: Exempt Market Dealer To: Investment Fund Manager, Portfolio Manager and Exempt Market Dealer	October 7, 2024
Consent to Suspension (Pending Surrender)	SAGUENAY STRATHMORE CAPITAL, LLC	Investment Fund Manager, Portfolio Manager and Exempt Market Dealer	October 1, 2024

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B.11

CIRO, Marketplaces, Clearing Agencies and Trade Repositories

B.11.1 CIRO

B.11.1.1 Canadian Investment Regulatory Organization (CIRO) – Proposed Amendments Respecting Enhanced Cost Reporting – Request for Comment

REQUEST FOR COMMENT

CANADIAN INVESTMENT REGULATORY ORGANIZATION (CIRO)

PROPOSED AMENDMENTS RESPECTING ENHANCED COST REPORTING

CIRO is publishing for comment proposed amendments to the client reporting requirements in both the Investment Dealer and Partially Consolidated Rules and the Mutual Fund Dealer Rules (together, **CIRO Rules**) (**Proposed Amendments**).

The Proposed Amendments would:

- expand Dealer Member's responsibility to report to their clients, on top of their own fees and charges, ongoing investment fund expenses and charges incurred by the client;
- materially harmonize CIRO's cost reporting requirements with the Total Cost Reporting Enhancements recently introduced in National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations*; and
- bridge some of the existing differences in the client reporting requirements and practices of investment dealers and mutual fund dealers.

A copy of the CIRO Rules Bulletin, including the text of the Proposed Amendments, is also available on our website at www.osc.ca. The comment period ends on January 8, 2025.

B.11.1.2 Canadian Investment Regulatory Organization (CIRO) – Housekeeping Amendment to Canadian Investment Regulatory Organization (CIRO) Investment Dealer and Partially Consolidated (IDPC) Rule 2603(2) – Notice of Commission Deemed Approval

NOTICE OF COMMISSION DEEMED APPROVAL

**HOUSEKEEPING AMENDMENT TO
CANADIAN INVESTMENT REGULATORY ORGANIZATION (CIRO)
INVESTMENT DEALER AND PARTIALLY CONSOLIDATED (IDPC) RULE 2603(2)**

The Ontario Securities Commission did not object to CIRO's proposed housekeeping amendment to repeal IDPC Rule 2603(2), which required incremental proficiency requirements for mutual funds only registered individuals wishing to trade in exempt market products (the **Housekeeping Amendment**). The main objective of the Housekeeping Amendment is to conform the IDPC Rules to applicable securities legislation. As a result, the Housekeeping Amendment was deemed approved or non-objected to.

The Housekeeping Amendment is effective immediately.

In addition, the Alberta Securities Commission; the Autorité des marchés financiers; the British Columbia Securities Commission; the Financial and Consumer Affairs Authority of Saskatchewan; the Financial and Consumer Services Commission of New Brunswick; the Manitoba Securities Commission; the Northwest Territories Office of the Superintendent of Securities; the Nova Scotia Securities Commission; the Nunavut Office of the Superintendent of Securities; the Office of the Superintendent of Securities, Digital Government and Services, Newfoundland and Labrador; the Office of the Yukon Superintendent of Securities; and the Prince Edward Island Office of the Superintendent of Securities (together with the Ontario Securities Commission, the Recognizing Regulators) did not object to the classification of the Housekeeping Amendment and therefore the Housekeeping Amendment was deemed approved or non-objected to.

A copy of the **CIRO Bulletin**, including the text of the approved Housekeeping Amendment, is published on our website at www.osc.ca.

B.11.3 Clearing Agencies

B.11.3.1 CDS Clearing and Depository Services Inc. – Proposed Amendments to CDS Fee Schedule – Central Counterparty (CCP) Services Failure to Receive – Notice of Commission Approval

CDS CLEARING AND DEPOSITORY SERVICES INC.

NOTICE OF COMMISSION APPROVAL

**PROPOSED AMENDMENTS TO CDS FEE SCHEDULE –
CENTRAL COUNTERPARTY (CCP) SERVICES FAILURE TO RECEIVE**

In accordance with the Rule Protocol between the Ontario Securities Commission (Commission) and CDS Clearing and Depository Services Inc. (CDS), the Commission approved on October 9, 2024 the amendments to the CDS Fee Schedule related to the Central Counterparty Services Failure to Receive Fees.

A copy of the [CDS notice](#) was published for comment on April 13, 2023 on the Commission's website at www.osc.ca.

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