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A. Capital Markets Tribunal

A.2
Other Notices

A.2.1 Kallo Inc. et al.

FOR IMMEDIATE RELEASE
December 11, 2024

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

TORONTO – Following a hearing held today, the Tribunal issued an Order in the above-named matter approving the Settlement Agreement reached between the Commission and Kallo Inc., John Cecil and, Samuel Pyo.

The merits hearing in the above-named matter scheduled to be heard on December 12, 13, 16, 17 and 18, 2024, and January 14, 15, 16, 21, 22, 23, 28, 29 and 30, 2025, and February 4, 5, 6 and 11, 2025 will not proceed as scheduled.

A copy of the Order dated December 11, 2024, Settlement Agreement dated November 28, 2024, and Oral Reasons for Approval of a Settlement dated December 11, 2024 are available at capitalmarketstribunal.ca.

Registrar, Governance & Tribunal Secretariat
Ontario Securities Commission

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A.3
Orders

A.3.1 Kallo Inc. et al. – ss. 127(1), 127.1

**IN THE MATTER OF
KALLO INC.,
JOHN CECIL AND
SAMUEL PYO**

File No. 2023-12

Adjudicator: Tim Moseley

December 11, 2024

ORDER
(Subsection 127(1) and section 127.1 of the *Securities Act,* RSO 1990, c S.5)

WHEREAS on December 11, 2024, the Capital Markets Tribunal held a hearing at 20 Queen Street West, 17th Floor, Toronto, Ontario, to consider the Joint Request for a Settlement Hearing filed by Kallo Inc., John Cecil, and Samuel Pyo and the Ontario Securities Commission for approval of a settlement agreement dated November 28, 2024 (the **Settlement Agreement**);

ON READING the Statement of Allegations dated May 23, 2023, the Settlement Agreement, and the written submissions of the Commission, on hearing the submissions of representatives for the Commission and the respondents, and on being advised by the Commission that it has received payment from Kallo and Cecil in the amount of $75,000, and from Pyo in the amount of $5,000;

IT IS ORDERED THAT:

1. the Settlement Agreement is approved;

2. with respect to Kallo:

   a. pursuant to paragraph 2 of subsection 127(1) of the *Securities Act* (the ***Act***), trading in any securities or derivatives by Kallo cease permanently;

   b. pursuant to paragraph 2.1 of subsection 127(1) of the *Act*, the acquisition of any securities by Kallo is prohibited permanently;

   c. pursuant to paragraph 3 of subsection 127(1) of the *Act*, any exemptions contained in Ontario securities law do not apply to Kallo permanently; and

   d. pursuant to paragraph 8.5 of subsection 127(1) of the *Act*, Kallo is prohibited from becoming or acting as a registrant (including an investment fund manager) or promoter permanently;

3. with respect to Cecil:

   a. pursuant to paragraphs 2 and 2.1 of subsection 127(1) of the *Act*, trading in any securities or derivatives, and the acquisition of any securities, by Cecil cease for a period of ten years, except that Cecil may trade in securities or derivatives or acquire securities in his own name, in accounts in which only he, his spouse or his children are the sole or joint legal and beneficial owners, solely through a registered dealer in Ontario, to whom Cecil must have given a copy of the Settlement Agreement and order;

   b. pursuant to paragraph 3 of subsection 127(1) of the *Act*, any exemptions contained in Ontario securities law do not apply to Cecil for a period of ten years, except to the extent necessary to allow him to trade securities or derivatives or acquire securities, as permitted by the preceding paragraph;

   c. pursuant to paragraphs 7, 8.1 and 8.3 of subsection 127(1) of the *Act*, Cecil resign all positions that he holds as a director or officer of any issuer, registrant, or investment fund manager;

d. pursuant to paragraphs 8, 8.2 and 8.4 of subsection 127(1) of the *Act*, Cecil be prohibited from becoming or acting as a director or officer of any issuer, registrant, or investment fund manager for a period of ten years, except that Cecil may become and/or act as a director or officer of an issuer other than a registrant or reporting issuer, as long the amounts required to be paid by paragraphs 4(a) and 4(b) below are paid in accordance with the schedule set out in paragraphs 4(c) and 4(d) below; and

e. pursuant to paragraph 8.5 of subsection 127(1) of the *Act*, Cecil be prohibited from becoming or acting as a registrant, including as an investment fund manager or as a promoter, for a period of ten years;

4. with respect to Kallo and Cecil:

a. pursuant to paragraph 9 of subsection 127(1) of the *Act*, Kallo and Cecil shall pay to the Ontario Securities Commission an administrative penalty of $200,000, jointly and severally;

b. pursuant to section 127.1 of the *Act*, Kallo and Cecil shall pay to the Ontario Securities Commission costs of the investigation of $50,000, jointly and severally;

c. of the total $250,000 reflected in paragraphs 4(a) and (b) above, Kallo and Cecil are jointly and severally liable to pay the remaining balance of $175,000 to the Ontario Securities Commission on or before November 14, 2025; and

d. until the amounts set out in paragraphs 4(a) and (b) are paid in full, the provisions of paragraphs 3(a), (b), (d), and (e) shall continue in force and without limitation as to time; and

5. with respect to Pyo:

a. pursuant to section 127.1 of the *Act*, Pyo shall pay to the Ontario Securities Commission costs of the investigation of $5,000;

b. pursuant to paragraphs 2 and 2.1 of subsection 127(1) of the *Act*, trading in any securities or derivatives, and the acquisition of any securities, by Pyo cease for a period of four years, except that Pyo may trade in securities or derivatives or acquire securities in his own name, in accounts in which only he, his spouse or his children are the sole or joint legal and beneficial owners, solely through a registered dealer in Ontario, to whom Pyo must have given a copy of the Settlement Agreement and Order;

c. pursuant to paragraph 3 of subsection 127(1) of the *Act*, any exemptions contained in Ontario securities law do not apply to Pyo for a period of four years, except to the extent necessary to allow him to trade securities or derivatives or acquire securities as permitted by the preceding paragraph;

d. pursuant to paragraphs 7, 8.1 and 8.3 of subsection 127(1) of the *Act*, Pyo resign all positions that he holds as a director or officer of any reporting issuer, registrant, or investment fund manager;

e. pursuant to paragraphs 8, 8.2 and 8.4 of subsection 127(1) of the *Act*, Pyo be prohibited from becoming or acting as a director or officer of any reporting issuer, registrant, or investment fund manager for a period of four years; and

f. pursuant to paragraph 8.5 of subsection 127(1) of the *Act*, Pyo be prohibited from becoming or acting as a registrant, including as an investment fund manager or as a promoter, for a period of four years.

"Tim Moseley"

File No. 2023-12

IN THE MATTER OF
KALLO INC.,
JOHN CECIL AND
SAMUEL PYO

SETTLEMENT AGREEMENT

PART I – INTRODUCTION

1. This proceeding involves an Ontario-based corporation, Kallo Inc. (**Kallo**), that disclosed in 2020, during a global pandemic, it had entered into contracts with five African countries to provide over €5.9 billion worth of healthcare goods and services. Kallo along with its Chief Executive Officer, John Cecil (**Mr. Cecil**) reasonably ought to have known the disclosure was misleading. The contracts were not real. Kallo, Mr. Cecil, and Kallo's only other full-time employee Samuel Pyo (**Mr. Pyo**) failed to recognize red flags that should have led them to question whether the contracts were genuine and therefore whether they would be performed.

2. Between August 10, 2020 and December 23, 2020, Kallo filed initial reports disclosing that it had entered into material definitive agreements with the governments of Kenya, Ethiopia, Eritrea, Eswatini and Mozambique to provide significant upgrades to their healthcare infrastructure, including provision of mobile clinics, emergency services, medical devices, a telehealth and electronic medical records system, and healthcare education/training (the **2020 Contracts**). On March 11, 2021, a week after Kallo filed its 10-K annual report, Kallo's share price increased significantly until trading was suspended on March 23, 2021.

3. Kallo and Mr. Cecil reasonably ought to have known that the disclosure of the 2020 Contracts in the circumstances was misleading or untrue and could have reasonably been expected to have a significant effect on the market price of Kallo's shares. As set out below, there were multiple red flags that should have caused the Respondents to be suspicious of the veracity of the 2020 Contracts and to make further inquiries.

4. The Respondents missed indications that the 2020 Contracts were fabricated. They did insufficient due diligence on their agents who purportedly liaised with the African governments on Kallo's behalf. They took no steps to verify the authenticity of the 2020 Contracts, despite warning signs, including when the government of Kenya in March 2021 publicly denied entering into any such agreements with Kallo.

5. Investors buy and sell securities in reliance on a company's public disclosure and it is critical to the integrity of the capital markets that this disclosure is truthful and accurate.

PART II - JOINT SETTLEMENT RECOMMENDATION

6. A Notice of Hearing was issued and a Statement of Allegations was published in respect of a proceeding against the Respondents (the **Proceeding**) on May 23, 2023.

7. The parties will jointly file a request that the Capital Markets Tribunal (the **Tribunal**) issue a Notice of Hearing to announce that it will hold a hearing (the **Settlement Hearing**) to consider whether, pursuant to sections 127 and 127.1 of the *Securities Act*, RSO 1990, c S.5 (the **Act**), it is in the public interest for the Tribunal to make certain orders against the Respondents.

8. The Respondents consent to the making of an order (the **Order**) substantially in the form attached as Schedule "A" to this agreement (the **Settlement Agreement**) based on the facts set out in this Settlement Agreement. For the purposes of the Proceeding, and any other regulatory proceeding commenced by a securities regulatory authority, derivatives regulatory authority or financial regulatory authority, the Respondents agree with the facts set out in Part III of this Settlement Agreement and the settlement in Part IV of this Settlement Agreement.

PART III – AGREED FACTS

(i) The 2020 Contracts

Kallo's Background

9. Kallo, a Nevada corporation with its head office, mind and management in Ontario, is a public company created through a reverse takeover. Kallo files disclosure with the Securities and Exchange Commission (**SEC**) and trades on the over-the-counter markets. Kallo claims to offer a healthcare solution for developing countries called the Kallo Integrated Delivery System (**KIDS**), which consists of a plan to implement a system of mobile clinics, emergency services, digital

services such as telehealth and an electronic medical records (**EMR**) system, as well as education/training for various aspects of healthcare management.

10. Kallo employees and vendors undertook development work on the KIDS concept between 2014 and 2016, but the development work was put on hold in early 2017 when anticipated contracts being negotiated by Kallo did not transpire and Kallo exhausted its financial resources. Kallo shut its offices, vendors terminated their relationships and repossessed equipment due to nonpayment, and all employees other than Mr. Cecil and Mr. Pyo (and Kallo's two remaining members of the Board of Directors) left the company. At the time the 2020 Contracts were entered into, Kallo had not produced a mobile clinic or implemented any other elements of its KIDS concept within a client country.

11. In or around 2019, Kallo engaged agents, such as Global Interest Services Inc. (**GIS**) and its principal Charles Muir (**Muir**), to negotiate agreements on its behalf in Africa (the **Agents**). Kallo did little or no diligence on its Agents to ensure that they were legitimate or had the experience necessary to negotiate or work on significant healthcare infrastructure projects.

Disclosure of Contracts with Five Countries in Six Months

12. Between August and December 2020, Kallo disclosed that it had entered into the 2020 Contracts with the following countries:

    (a) Republic of Kenya on June 26, 2020 (€1,068,932,543);

    (b) Kingdom of Eswatini (formerly Swaziland) on November 19, 2020 (€549,978,787);

    (c) Federal Democratic Republic of Ethiopia on November 30, 2020 (€2,459,817,336);

    (d) Republic of Mozambique on December 18, 2020 (€1,305,256,575); and

    (e) State of Eritrea on December 18, 2020 (€521,437,477).

13. The 2020 Contracts all purportedly involved a sale of KIDS, along with certain extra goods or services for certain countries. The healthcare services included in each of the 2020 Contracts are based on the KIDS concept and include mobile clinics, emergency services, telehealth and EMR systems, medical devices and specialist hospitals.

14. The 2020 Contracts for Kenya also included the provision of a rapid response program for the COVID-19 pandemic (including COVID-19 test kits and personal protective equipment (**PPE**)). At the time of the alleged contract execution (June 2020) and disclosure of the contracts (August 2020), the COVID-19 pandemic was raging and there was a worldwide shortage of PPE.

Kenya Denial of 2020 Contracts

15. Following the disclosure of Kallo's 2020 Annual Report on March 3, 2021, which provided an overview of all the 2020 Contracts, an article in a local Kenyan newspaper alerted the government of Kenya to Kallo's public disclosure of the 2020 Contracts. The same day, the Kenyan government publicly denied entering into any contracts with Kallo. On March 22, 2021, the government of Kenya made a complaint to the SEC about Kallo's false disclosure and trading in Kallo shares was temporarily suspended.

16. On March 26, 2021, while its trading was suspended, Kallo disclosed to investors that it had received a letter from Kenya stating that the project was "put on hold" as a result of upcoming elections, media attention and political complications.

17. The government of Kenya maintains that the 2020 Contracts are fabrications and that these letters, purportedly from the government of Kenya, are not authentic. Kallo never disclosed to investors that the Kenyan government had specifically denied entering into any contracts with Kallo.

Red Flags

18. The following red flags should have caused Kallo to question whether the 2020 Contracts were real, and should have prompted Kallo to undertake further inquiries:

    (a) No one from Kallo ever visited the countries in question.

    (b) No one from Kallo ever communicated directly with any government officials of the countries in question.

    (c) The Agents had insufficient experience in negotiating significant healthcare infrastructure products.

(d) The Agents provided no proof that they actually spoke with any government officials in any of the African countries.

(e) Introductory letters were allegedly sent to African governments and Kallo received signed contracts back in as little as 21 days.

(f) No one from any of the African governments, such as healthcare experts or legal counsel, provided comments on the healthcare project or the loan terms.

(g) No drafts of the 2020 Contracts were exchanged.

(h) There were no negotiations on the prices in the 2020 Contracts or the terms of the loan.

(i) No one had any input into the 2020 Contracts other than the Respondents. The African governments apparently had no questions or inquiries about Kallo's proposals or the 2020 Contracts.

(j) Kallo should have been suspicious that five different African governments were prepared to potentially borrow billions of euros to finance the implementation of the KIDS concept without conducting any due diligence on Kallo to ascertain its ability to perform the contracts. At the time the 2020 Contracts were purportedly entered into, Kallo had no active business operations, no office, no equipment, no contracts with vendors, three directors and one additional full-time employee, and was relying on a single private investor in Ontario to continue to fund its expenses. Kallo's public disclosures indicated that Kallo had never earned any revenue, that Kallo was insolvent, and that Kallo may not be able to continue as a going concern. Kallo would not have been able to take any steps toward performing the 2020 Contracts without financing and re-establishing its business operations.

(k) Kallo did not independently verify whether the 2020 Contract amounts were realistic in light of the healthcare budgets of the African countries in question, or take independent steps to ascertain whether any of the African governments allocated funds for the 2020 Contracts in their budgets.

(l) Even when advised through Kenya's public denials and complaint to the SEC (resulting in a trading suspension) that the Kenya contract was fabricated, the Respondents did not independently verify the authenticity of the contracts or follow up directly with Kenya or other countries to ensure the validity of the agreements.

Denials by African Governments

19. As indicated above, the government of Kenya has publicly and repeatedly denied any relationship with Kallo and denied that it entered into any contract with Kallo. The government of Kenya made a complaint to the SEC when it learned of Kallo's disclosure to investors and stated that its purported contracts with Kallo were forgeries.

20. The government of Eswatini similarly has denied any relationship with Kallo and denied that it entered into any contracts with Kallo. The Eswatini Minister of Finance maintains that the 2020 Contracts purportedly signed with Eswatini were not signed by him, the stamps of the Eswatini government on the 2020 Contracts are not the correct stamps, and the 2020 Contracts were never shared with the government.

No Evidence of Government Communications

21. Although they have not publicly denied the 2020 Contracts, there is no reliable evidence that the governments of Ethiopia, Mozambique or Eritrea have or ever had any relationship with Kallo or entered into the 2020 Contracts. There is no evidence that legislative or other government approvals were obtained by these countries. None of these countries have publicly or otherwise acknowledged entering into contracts with Kallo or otherwise agreed to any healthcare projects with Kallo.

Document Irregularities

22. There are document irregularities in the 2020 Contracts and alleged correspondence with African government officials that suggest that these contracts and correspondence were fabricated. For example:

(a) the purported signatures of government officials do not match other publicly available signatures by these individuals;

(b) certain seals purportedly placed on the contracts by African government officials have a high school logo as their base layer;

(c) signatures and stamps of the notaries who notarized the contracts for Mr. Cecil and Sergei Pokusaev, a purported financier and signatory to the 2020 Contracts, were moved and/or altered after they notarized the contracts;

(d) one of the notaries for the 2020 Contracts did not notarize the contract for Eritrea, despite his signature and stamp being on the documents;

(e) letters that appear to be from different government officials share similarities and/or metadata suggesting that they were drafted by the same source; and

(f) Mr. Pyo drafted and sent Mr. Cecil Word documents of letters that appear to be from African government officials.

(ii) Kallo's Share Price

23. In early August 2020, prior to the first disclosure of the 2020 Contracts, Kallo's share price was publicly reported as trading for less than a penny (US $0.008). Kallo had approximately 1.1 billion common shares issued and outstanding and was thinly traded. Following the disclosure of the 2020 Contracts with Kenya on August 10, 2020, the volume of trading in Kallo shares increased and the price of Kallo shares also began to increase in the following weeks.

24. Following the disclosure of the 2020 Contracts with Eswatini on November 25, 2020 the volume of trading and the price of Kallo shares rose again. The share price and volume of trading fluctuated between US $0.021 and US $0.0748 as Kallo disclosed the other 2020 Contracts for Ethiopia, Eritrea and Mozambique in December 2020. Then, following the release of Kallo's 2020 Annual Report on March 3, 2021, Kallo's share price was publicly reported as hitting a high of US $0.1899 on March 10, 2021.

25. The Kenyan government publicly denied entering into the contracts with Kallo on March 22, 2021, and the SEC ordered a trading suspension of Kallo's shares on March 23, 2021. From March 23 until April 8, 2021, Kallo's share price was frozen at US $0.096. When the trading suspension was lifted on April 8, 2021, Kallo's share price closed at US $0.001.

26. Between August 10, 2020 to March 23, 2021, approximately 8 million shares of Kallo were traded on the secondary market for a value of approximately US $570,000.

(iii) Kallo's Later Disclosure

27. Kallo did not revise or remove the misleading public disclosure regarding the 2020 Contracts. Following the trading suspension, Kallo continued to issue disclosure maintaining the existence of the 2020 Contracts and Kallo's shares continue to trade on the OTC markets with a caveat emptor warning.

(iv) Respondents' Position

28. Prior to 2020, Mr. Cecil had taken business trips to other African countries and interacted directly with other African government officials. However, due to the COVID-19 pandemic, Mr. Cecil was not able to travel to Africa during the relevant time. Kallo and Mr. Cecil relied entirely on representations from the Agents and other third-party intermediaries regarding the authenticity of the 2020 Contracts. Further, Kallo and Mr. Cecil relied entirely on their Agents and other third-party intermediaries to conduct all communications and negotiations with the governments of Kenya, Ethiopia, Eritrea, Eswatini and Mozambique.

29. The public disclosure made by Kallo and Mr. Cecil of the 2020 Contracts contained qualifications with respect to Kallo's finances and the 2020 Contracts and indicated that the 2020 Contracts involved significant risk and uncertainties, including that Kallo had no prior experience in successfully undertaking similar projects.

30. Although the public disclosure made by Kallo and Mr. Cecil in the relevant time frame included some qualifications about their ability to perform the contracts absent financing, in addition to other warnings, Kallo and Mr. Cecil ought to have known that disclosure of the financial value of the 2020 Contracts if performed could be perceived as material and could be expected to have a significant effect on the market price of the securities of Kallo.

31. Kallo and Mr. Cecil did not issue any press releases or engage in promotional activity with respect to the 2020 Contracts.

32. Kallo did not seek to raise money from the public based on the 2020 Contracts. Neither Mr. Cecil nor Mr. Pyo sold any securities of Kallo into the market following the disclosure of the 2020 Contracts.

33. Mr. Pyo claims he was advised by Kallo's Agents that it was standard practice for draft letters to be prepared and sent as a baseline for negotiations, and that the relevant governments would modify the letters as appropriate. Mr. Pyo acknowledges that he should not have trusted this assertion and should have exercised greater diligence in all the circumstances.

(v) Breaches of Ontario Securities Law and Conduct Contrary to the Public Interest

34. The Respondents acknowledge and admit that, by engaging in the conduct described above:

(a) Kallo and Mr. Cecil made statements which they reasonably ought to have known were materially false or misleading and would reasonably be expected to have a significant effect on the price or value of Kallo's securities, contrary to subsection 126.2(1) of the Act; and

(b) Mr. Pyo engaged in conduct contrary to the public interest by participating in document irregularities, particularly:

(1) by moving and/or altering signatures and stamps of the notaries who notarized the contracts for Mr. Cecil and Pokusaev after they notarized the contracts; and

(2) by drafting and sending to Mr. Cecil Word documents of letters that appear to be from African government officials.

PART IV - TERMS OF SETTLEMENT

35. The Respondents consent to the Order substantially in the form attached as Schedule "A", pursuant to which it is ordered that:

(a) This Settlement Agreement is approved;

Kallo

(b) pursuant to paragraph 2 of s. 127(1) of the Act, trading in any securities or derivatives by Kallo cease permanently;

(c) pursuant to paragraph 2.1 of s. 127(1) of the Act, the acquisition of any securities by Kallo is prohibited permanently;

(d) pursuant to paragraph 3 of s. 127(1) of the Act, any exemptions contained in Ontario securities law do not apply to Kallo permanently;

(e) pursuant to paragraph 8.5 of s. 127(1) of the Act, Kallo is prohibited from becoming or acting as a registrant (including an investment fund manager) or promoter permanently;

Mr. Cecil

(f) pursuant to paragraphs 2 and 2.1 of subsection 127(1) of the Act, trading in any securities or derivatives, and the acquisition of any securities, by Mr. Cecil cease for a period of ten years, commencing on the date of the Order, except that Mr. Cecil may trade in securities or derivatives or acquire securities in his own name, in accounts in which only he, his spouse or his children are the sole or joint legal and beneficial owners, solely through a registered dealer in Ontario, to whom Mr. Cecil must have given a copy of this Settlement Agreement and Order;

(g) pursuant to paragraph 3 of s. 127(1) of the Act, that any exemptions contained in Ontario securities law do not apply to Mr. Cecil for a period of ten years, except to the extent necessary to allow him to trade securities or derivatives or acquire securities as permitted by the preceding paragraph;

(h) pursuant to paragraphs 7, 8.1 and 8.3 of s. 127(1) of the Act, Mr. Cecil resign all positions that he holds as a director or officer of any issuer, registrant, or investment fund manager;

(i) pursuant to paragraphs 8, 8.2 and 8.4 of s. 127(1) of the Act, Mr. Cecil be prohibited from becoming or acting as a director or officer of any issuer, registrant, or investment fund manager for a period of ten years, except that Mr. Cecil may become and/or act as a director or officer of an issuer other than a registrant or reporting issuer, as long the amounts required to be paid by paragraphs (k) and (l) below are paid in accordance with the schedule set out in paragraphs (m) and (n) below;

(j) pursuant to paragraph 8.5 of s. 127(1) of the Act, Mr. Cecil be prohibited from becoming or acting as a registrant, including as an investment fund manager or as a promoter, for a period of ten years;

Kallo and Mr. Cecil

(k) pursuant to paragraph 9 of s. 127(1) of the Act, Kallo and Mr. Cecil shall pay an administrative penalty of $200,000, jointly and severally;

(l) pursuant to s. 127.1 of the Act, Kallo and Mr. Cecil shall pay costs of the investigation of $50,000, jointly and severally;

(m) Of the total $250,000 reflected in paragraphs 35(k) and 35(l) above, Kallo and Mr. Cecil are jointly and severally liable to pay $75,000 to the Commission prior to the Settlement Hearing in this proceeding;

(n) Of the total $250,000 reflected in paragraphs 35(k) and 35(l) above, Kallo and Mr. Cecil are jointly and severally liable to pay $175,000 to the Commission on or before November 14, 2025;

(o) Until the entire amounts set out in paragraphs (k) and (l) are paid in full, the provisions of paragraphs (f), (g), (i), and (j) shall continue in force and without limitation as to time.

Mr. Pyo

(p) pursuant to s. 127.1 of the Act, Mr. Pyo shall pay costs of the investigation of $5,000;

(q) pursuant to paragraphs 2 and 2.1 of subsection 127(1) of the Act, trading in any securities or derivatives, and the acquisition of any securities, by Mr. Pyo cease for a period of four years, commencing on the date of the Order, except that Mr. Pyo may trade in securities or derivatives or acquire securities in his own name, in accounts in which only he, his spouse or his children are the sole or joint legal and beneficial owners, solely through a registered dealer in Ontario, to whom Mr. Pyo must have given a copy of this Settlement Agreement and Order;

(r) pursuant to paragraph 3 of s. 127(1) of the Act, that any exemptions contained in Ontario securities law do not apply to Mr. Pyo for a period of four years, except to the extent necessary to allow him to trade securities or derivatives or acquire securities as permitted by the preceding paragraph;

(s) pursuant to paragraphs 7, 8.1 and 8.3 of s. 127(1) of the Act, Mr. Pyo resign all positions that he holds as a director or officer of any reporting issuer, registrant, or investment fund manager;

(t) pursuant to paragraphs 8, 8.2 and 8.4 of s. 127(1) of the Act, Mr. Pyo be prohibited from becoming or acting as a director or officer of any reporting issuer, registrant, or investment fund manager for a period of four years; and

(u) pursuant to paragraph 8.5 of s. 127(1) of the Act, Mr. Pyo be prohibited from becoming or acting as a registrant, including as an investment fund manager or as a promoter, for a period of four years.

36. Mr. Cecil has provided the Commission with a sworn Statement of Financial Condition indicating a limited ability to make full, up-front payments of the agreed financial sanctions. This Statement of Financial Condition will be provided to the Tribunal at the confidential settlement conference and public settlement hearing, but will not be made public.

37. Kallo and Mr. Cecil acknowledge that, in addition to any proceedings referred to below, failure to pay the amounts payable in accordance with paragraph 35(n) above will result in their names being added to the list of “Delinquent Respondents” with unpaid sanctions published on the Commission’s and/or the Tribunal’s website.

PART V – FURTHER PROCEEDINGS

38. If the Tribunal approves this Settlement Agreement, the Enforcement Division of the Ontario Securities Commission (the **Enforcement Division**) will not commence or continue any proceeding against the Respondents under Ontario securities law based on the misconduct described in Part III of this Settlement Agreement, unless the Respondents fail to comply with any term in this Settlement Agreement, in which case the Enforcement Division may bring proceedings under Ontario securities law against the non-compliant Respondent(s) that may be based on, among other things, the facts set out in Part III of the Settlement Agreement as well as the breach of the Settlement Agreement.

39. The Respondents waive any defences to a proceeding referenced in paragraph 38 based on the limitation period in the Act, provided that no such proceeding be commenced later than six years from the date of the occurrence of the last failure to comply with this Settlement Agreement.

PART VI – PROCEDURE FOR APPROVAL OF SETTLEMENT

40. The parties will seek approval of the Settlement Agreement at the Settlement Hearing before the Tribunal, which shall be held on a date determined by the Registrar in accordance with this Settlement Agreement and the Tribunal’s *Rules of Procedure.*

41. Mr. Cecil and Mr. Pyo will attend the Settlement Hearing.

42. The parties confirm that the Settlement Agreement sets forth all of the agreed facts that will be submitted at the Settlement Hearing, unless the parties agree that additional facts should be submitted at the Settlement Hearing.

43. If the Tribunal approves the Settlement Agreement:

(a) the Respondents irrevocably waive all rights to a full hearing, judicial review or appeal of this matter under the Act; and

(b) the parties will not make any public statement or advance a position in any other legal proceeding that is inconsistent with this Settlement Agreement or with any additional agreed facts submitted at the Settlement Hearing.

44. Whether or not the Tribunal approves the Settlement Agreement, the Respondents will not use, in any proceeding, the Settlement Agreement or the negotiation or process of approval of the Settlement Agreement as the basis for any attack on the Tribunal's jurisdiction, alleged bias, alleged unfairness or any other remedies or challenges that may otherwise be available.

PART VII – DISCLOSURE OF SETTLEMENT AGREEMENT

45. If the Tribunal does not make the Order:

(a) the Settlement Agreement and all discussions and negotiations between the parties before the Settlement Hearing will be without prejudice to the parties; and

(b) the parties will each be entitled to all available proceedings, remedies and challenges, including proceeding to a hearing. Any such proceedings, remedies and challenges will not be affected by the Settlement Agreement, or by any discussions or negotiations relating to the Settlement Agreement.

46. The parties will keep the terms of the Settlement Agreement confidential until the Settlement Hearing, unless they agree in writing not to do so or unless otherwise required by law. If, for whatever reason, the Tribunal does not approve the Settlement Agreement, the terms of the Settlement Agreement shall remain confidential indefinitely, unless the parties otherwise agree in writing or if required by law.

PART VIII – EXECUTION OF SETTLEMENT AGREEMENT

47. This Settlement Agreement may be signed in one or more counterparts which together constitute a binding agreement.

48. A facsimile or other electronic copy of any signature will be as effective as an original signature.

DATED at Toronto, Ontario this **28th** day of November, 2024.

"Rachel Graham" ____________________ Witness: Rachael Graham	"John Cecil" ____________________ John Cecil
"Rachael Graham" ____________________ Witness: Rachel Graham	"Samuel R. Baker" ____________________ Samuel R. Baker, Director and Corporate Secretary, Kallo Inc. ***I have the authority to bind the Corporation***

DATED at Toronto, Ontario this **28th** day of November, 2024.

"Rachel Pyo" ____________________ Witness: Rachel Pyo	"Samuel Pyo" ____________________ Samuel Pyo

DATED at Toronto, Ontario this **28th** day of November, 2024

THE ONTARIO SECURITIES COMMISSION

"Bonnie Lysyk"
Executive Vice President, Enforcement
Ontario Securities Commission

Schedule "A"

IN THE MATTER OF
KALLO INC.,
JOHN CECIL AND
SAMUEL PYO

Adjudicators: [ ]

File No. 2023-12

[Date Order Made]

ORDER
(Subsection 127(1) and section 127.1 of the *Securities Act*, RSO 1990, c S.5)

WHEREAS on **[date]**, 2024, the Capital Markets Tribunal held a hearing at the offices of the Ontario Securities Commission (the **Commission**), located at 20 Queen Street West, 17th Floor, Toronto, Ontario, to consider the Joint Request for a Settlement Hearing filed by John Cecil (**Mr. Cecil**), Kallo Inc. (**Kallo**), and Samuel Pyo (**Mr. Pyo**, and with Mr. Cecil and Kallo, the **Respondents**) and the Commission for approval of a settlement agreement dated November **[date]**, 2024 (the **Settlement Agreement**);

ON READING the Joint Application for Settlement Hearing and the Settlement Agreement, on hearing the submissions of representatives of the parties, and on being advised by the Commission that it has received payment from Mr. Cecil in the amount of $75,000 and from Mr. Pyo in the amount of $5,000;

IT IS ORDERED THAT:

Kallo

1. pursuant to paragraph 2 of s. 127(1) of the Act, trading in any securities or derivatives by Kallo shall cease permanently;

2. pursuant to paragraph 2.1 of s. 127(1) of the Act, Kallo is permanently prohibited from acquiring any securities;

3. pursuant to paragraph 3 of s. 127(1) of the Act, any exemptions contained in Ontario securities law shall not apply to Kallo permanently;

4. pursuant to paragraph 8.5 of s. 127(1) of the Act, Kallo is prohibited from becoming or acting as a registrant (including an investment fund manager) or promoter permanently;

Mr. Cecil

5. pursuant to paragraphs 2 and 2.1 of subsection 127(1) of the Act, trading in any securities or derivatives, and the acquisition of any securities, by Mr. Cecil shall cease for a period of ten years, commencing on the date of the Order, except that Mr. Cecil may trade in securities or derivatives or acquire securities in his own name, in accounts in which only he, his spouse or his children are the sole or joint legal and beneficial owners, solely through a registered dealer in Ontario, to whom Mr. Cecil must have given a copy of the Settlement Agreement and this order;

6. pursuant to paragraph 3 of s. 127(1) of the Act, that any exemptions contained in Ontario securities law shall not apply to Mr. Cecil for a period of ten years, except to the extent necessary to allow him to trade securities or derivatives or acquire securities as permitted by the preceding paragraph;

7. pursuant to paragraphs 7, 8.1 and 8.3 of s. 127(1) of the Act, Mr. Cecil shall resign all positions that he holds as a director or officer of any issuer, registrant, or investment fund manager;

8. pursuant to paragraphs 8, 8.2 and 8.4 of s. 127(1) of the Act, Mr. Cecil is prohibited from becoming or acting as a director or officer of any issuer, registrant, or investment fund manager for a period of ten years, except that Mr. Cecil may become and/or act as a director or officer of an issuer other than a registrant or reporting issuer, as long the amounts required to be paid by paragraphs 10 and 11 are paid in accordance with the schedule set out in paragraph 12 of this order;

9. pursuant to paragraph 8.5 of s. 127(1) of the Act, Mr. Cecil is prohibited from becoming or acting as a registrant, including as an investment fund manager or as a promoter, for a period of ten years;

Kallo and Mr. Cecil

10. pursuant to paragraph 9 of s. 127(1) of the Act, Kallo and Mr. Cecil shall pay to the Commission an administrative penalty of $200,000, jointly and severally;

11. pursuant to s. 127.1 of the Act, Kallo and Mr. Cecil shall pay costs of the investigation of $50,000 (along with the amount set out in paragraph 10, the **Monetary Orders**), jointly and severally;

12. Kallo and Mr. Cecil shall pay the remaining amounts of the Monetary Orders, being $175,000 to the Commission on or before November 14, 2025;

13. Until the entirety of the Monetary Orders is paid in full, the provisions of paragraphs 5, 6, 8 and 9 shall continue in force without any limitation as to time;

Mr. Pyo

14. pursuant to s. 127.1 of the Act, Mr. Pyo shall pay costs of the investigation of $5,000;

15. pursuant to paragraphs 2 and 2.1 of subsection 127(1) of the Act, trading in any securities or derivatives, and the acquisition of any securities, by Mr. Pyo shall cease for a period of four years, commencing on the date of the Order, except that Mr. Pyo may trade in securities or derivatives or acquire securities in his own name, in accounts in which only he, his spouse or his children are the sole or joint legal and beneficial owners, solely through a registered dealer in Ontario, to whom Mr. Pyo must have given a copy of this Settlement Agreement and Order;

16. pursuant to paragraph 3 of s. 127(1) of the Act, that any exemptions contained in Ontario securities law shall not apply to Mr. Pyo for a period of four years, except to the extent necessary to allow him to trade securities or derivatives or acquire securities as permitted by the preceding paragraph;

17. pursuant to paragraphs 7, 8.1 and 8.3 of s. 127(1) of the Act, Mr. Pyo shall resign all positions that he holds as a director or officer of any reporting issuer, registrant, or investment fund manager;

18. pursuant to paragraphs 8, 8.2 and 8.4 of s. 127(1) of the Act, Mr. Pyo be prohibited from becoming or acting as a director or officer of any reporting issuer, registrant, or investment fund manager for a period of four years; and

19. pursuant to paragraph 8.5 of s. 127(1) of the Act, Mr. Pyo be prohibited from becoming or acting as a registrant, including as an investment fund manager or as a promoter, for a period of four years.

____

[Adjudicator]

A.4
Reasons and Decisions

A.4.1 Kallo Inc. et al. – ss. 127(1), 127.1

Citation: *Kallo (Re)*, 2024 ONCMT 29
Date: 2024-12-11
File No. 2023-12

**IN THE MATTER OF
KALLO INC.,
JOHN CECIL AND
SAMUEL PYO**

**ORAL REASONS FOR APPROVAL OF A SETTLEMENT
(Subsection 127(1) and section 127.1 of the Securities Act, RSO 1990, c S.5)**

Adjudicator:	Tim Moseley	
Hearing:	In person, December 11, 2024	
Appearances:	Johanna Braden Scott Azzopardi Matthew McMurray	For the Ontario Securities Commission
	Alistair Crawley Katarina Wasielewski	For Kallo Inc. and John Cecil
	John M. Picone Laura Cloutier	For Samuel Pyo

ORAL REASONS FOR APPROVAL OF A SETTLEMENT

The following reasons have been prepared for publication, based on the reasons delivered orally at the hearing, as edited and approved by the panel, to provide a public record of the oral reasons.

[1] The Ontario Securities Commission alleges that Kallo Inc., along with its Chief Executive Officer, John Cecil, made statements that they reasonably ought to have known were materially false or misleading and would reasonably be expected to have a significant effect on the price or value of Kallo's securities. Making statements of that kind is contrary to s. 126.2(1) of the *Securities Act*.

[2] The Commission also alleges that Kallo's only other full-time employee at the relevant time, Samuel Pyo, engaged in improper conduct that justifies an order under s. 127 of the *Securities Act*, even though the conduct does not breach any specific provision of Ontario securities law.

[3] The Commission and the respondents have agreed to resolve those allegations, and they now seek approval of their settlement agreement. I have decided to approve that agreement and to order the sanctions and costs to which the parties have agreed.

[4] The factual background is set out in detail in the settlement agreement, but I will summarize it here.

[5] Kallo is a corporation with its head office in Ontario. It trades on over-the-counter markets in the United States of America.

[6] In late 2020, Kallo filed initial reports disclosing that it had agreed with five African governments to provide significant upgrades to those countries' healthcare infrastructure. Altogether, the contracts were purportedly worth more than €5.9 billion.

[7] In the weeks and months following that disclosure, the trading volume and price of Kallo shares increased significantly.

[8] Months later, in March of 2021, and after Kallo issued its 2020 Annual Report, the government of Kenya (which was one of the five countries) publicly denied entering into any contracts with Kallo. Shortly after that, the United States Securities

and Exchange Commission temporarily suspended trading in shares of Kallo. Later, the government of Eswatini (another of the five countries) issued a similar denial.

[9] Despite this sequence of events, Kallo did not correct its public disclosure. In fact, it continued to issue disclosure that maintained that the contracts existed.

[10] Throughout all this time, no one at Kallo dealt directly with the five governments or representatives of those governments. Due in part to travel restrictions resulting from the pandemic, Kallo relied on the services of its own agents, about whom Kallo knew little. Kallo relied entirely on what those agents and other third-party intermediaries told Kallo about the supposed contracts.

[11] The respondents now acknowledge that there were no contracts, and the settlement agreement sets out red flags that should have caused Kallo to question at the time whether the contracts were real. For example, no draft contracts were exchanged, there were no negotiations of the very significant financial terms, and the respondents undertook little diligence about the authenticity of the contracts or about whether the contracts were realistic in light of the various countries' healthcare budgets. The settlement agreement lists many other red flags.

[12] Kallo and Mr. Cecil admit that the disclosure they made about the supposed contracts was misleading and was contrary to subsection 126.2(1) of the *Securities Act.*

[13] As for Mr. Pyo, his misconduct is much narrower. He has agreed that he moved and/or altered signatures and stamps of the notaries who notarized certain documents, and that he prepared and gave to Mr. Cecil drafts of letters, the senders of which it appeared would be African government officials.

[14] The Commission and the respondents have agreed to resolve this proceeding on terms set out in the settlement agreement and in the order I will issue today. Those terms include the following:

a. Kallo and Mr. Cecil are jointly and severally liable to pay an administrative penalty of $200,000, and costs of $50,000, and I note that $75,000 of that $250,000 has already been paid to the Commission, with the balance due by November 14, 2025;

b. Kallo is to be subject to various permanent bans on its market participation;

c. with limited exceptions, Mr. Cecil is to be subject to ten-year restrictions on his ability to trade in securities or derivatives, or to acquire securities;

d. Mr. Cecil may not be a director or officer of an issuer or registrant for ten years, except that he is permitted to be a director or officer of an issuer, other than a registrant or reporting issuer, if the $250,000 is paid in accordance with the schedule I mentioned earlier;

e. if the remaining $175,000 is not paid within ten years, the ten-year periods I have mentioned will continue until that amount is paid;

f. with limited exceptions, Mr. Pyo is subject to four-year restrictions on his ability to trade in securities or derivatives, or to acquire securities;

g. Mr. Pyo may not be a director or officer of a reporting issuer or registrant for four years; and

h. Mr. Pyo is required to pay, and has paid before this hearing, costs of the investigation of $5,000.

[15] The misconduct here, particularly that of Kallo and Mr. Cecil, is serious. While there is no basis to conclude that their misconduct was deliberate, in my view their conduct fell far short of what is required of a company and its chief executive officer, where that company raises funds from the public. Disclosure is a cornerstone of the securities regulatory environment. A public company and its directors and officers owe it to existing and potential investors to be very careful about the public disclosure they make. This is especially true where, as here, the disclosure should be seen to be material. Kallo and Mr. Cecil did not exercise the skepticism and diligence that they should have about this material disclosure, and in the face of the many and significant red flags.

[16] Mr. Pyo acknowledges that he ought to have been more careful about the notarized documents, and that he ought not to have trusted the assertion he says Kallo's agents made to him about the draft letters.

[17] I conducted several confidential conferences in this proceeding, working with the parties as they reached this settlement. I am presiding over this settlement approval hearing with their consent, as required by the Tribunal's rules. My role at this hearing is to determine whether the negotiated settlement falls within a range of reasonable outcomes. In deciding whether to approve settlements, this Tribunal respects the negotiation process and accords significant deference to the resolution reached by the parties. I do so in this case.

[18] This settlement reflects the seriousness of the respondents' failure to live up to the obligations that go with being a public company. Based on my discussions with Mr. Cecil and his counsel during the confidential conferences, I am confident that this experience, together with the agreed-upon sanctions, mean that it is unlikely that Mr. Cecil will pose a risk to the capital markets in the future. These sanctions will also deter others from taking on responsibilities associated with a public company, without fully meeting those responsibilities.

[19] I am also confident that the sanctions against Mr. Pyo will act as a specific deterrent to him, and a general deterrent to others involved with public companies.

[20] By settling, both Mr. Cecil and Mr. Pyo have acknowledged responsibility for their conduct, and they have helped the Tribunal and the Commission avoid the significant cost associated with a lengthy hearing. I also take into account the fact that neither Mr. Cecil nor Mr. Pyo sold Kallo shares or profited or sought to profit in any way from the misleading disclosure. Further, with respect to Mr. Pyo, he was a young and inexperienced employee, and looked to Mr. Cecil as a mentor.

[21] Finally, a comment is in order about the term of the agreement that allows Kallo and Mr. Cecil to pay 30% of the $250,000 owing up front, with the balance due in late 2025. Generally, it aligns better with the public interest for settling respondents to pay amounts in full before the Tribunal will approve the settlement. However, Kallo has no funds, and Mr. Cecil has provided a sworn statement of financial condition that indicates a limited ability to make full payment up front and that supports an exception to the general rule. I also find that, because the statement contains intimate financial information about Mr. Cecil, the interest served by avoiding disclosure of that statement or its contents outweighs adherence to the principle that the full adjudicative record should be available to the public. I therefore order, under rule 8 of the Tribunal's *Rules of Procedure*, that the statement be kept confidential.

[22] In conclusion, I find that the proposed settlement is reasonable and in the public interest. I will issue an order substantially in the form of the draft attached to the settlement agreement.

Dated at Toronto this 11th day of December, 2024

"Tim Moseley"

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B. Ontario Securities Commission

B.2
Orders

B.2.1 Centamin Limited

Headnote

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

Applicable Legislative Provisions

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

December 11, 2024

**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
CENTAMIN LIMITED
(the Filer)**

ORDER

Background

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

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

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

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

Interpretation

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

Representations

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

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

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

3. no securities of the Filer, including debt securities, are traded in Canada or another country on a marketplace as defined in National Instrument 21-101 *Marketplace Operation* or any other facility for bringing together buyers and sellers of securities where trading data is publicly reported;

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

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.

"Erin O'Donovan"
Manager, Corporate Finance
Ontario Securities Commission

OSC File #: 2024/0682

B.2.2 NewOrigin Gold Corp. – s. 1(6) of the OBCA

Headnote

Applicant deemed to have ceased to be offering its securities to the public under the Business Corporations Act (Ontario).

Statutes Cited

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

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

AND

IN THE MATTER OF
NEWORIGIN GOLD CORP.
(the Applicant)

ORDER
(Subsection 1(6) of the OBCA)

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

AND UPON the Applicant representing to the Commission that:

1. the Applicant is an "offering corporation" as defined in subsection 1(1) of the OBCA;

2. the Applicant's head and registered office is located at 110 Yonge Street, Suite 1601, Toronto, Ontario, M5C 1T4;

3. the Applicant has no intention to seek public financing by way of an offering of securities;

4. on November 25, 2024, the Applicant was granted an order (the **Reporting Issuer Order**) pursuant to subclause 1(10)(a)(ii) of the Securities Act (Ontario) that it is not a reporting issuer in Ontario and is not a reporting issuer or the equivalent in any other jurisdiction of Canada in accordance with the simplified procedure set out in section 19 of National Policy 11-206 *Process for Cease to be a Reporting Issuer Applications*; and

5. the representations set out in the Reporting Issuer Order continue to be true;

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

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

DATED at Toronto on this12th day of December, 2024.

"Marie-France Bourret"
Manager, Corporate Finance
Ontario Securities Commission

OSC File #: 2024/0668

B.2.3 BIP Investment Corporation

Headnote

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

Applicable Legislative Provisions

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

December 16, 2024

**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
BIP INVESTMENT CORPORATION
(the Filer)**

ORDER

Background

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

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

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

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

Interpretation

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

Representations

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

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

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

3. no securities of the Filer, including debt securities, are traded in Canada or another country on a marketplace as defined in National Instrument 21-101 *Marketplace Operation* or any other facility for bringing together buyers and sellers of securities where trading data is publicly reported;

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

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.

"David Surat"
Manager, Corporate Finance
Ontario Securities Commission

OSC File #: 2024/0701

B.2.4 Nuvei Corporation

Headnote

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

Applicable Legislative Provisions

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

[Original text in French]

December 17, 2024

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

AND

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

AND

IN THE MATTER OF
NUVEI CORPORATION
(the Filer)

ORDER

Background

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

b) the Filer has provided notice that subsection 4C.5(1) of *Regulation 11-102 respecting Passport System* (Regulation 11-102) is intended to be relied upon Alberta, British Columbia, Manitoba, New Brunswick, Newfoundland and Labrador, Northwest Territories, Nova Scotia, Nunavut, Prince Edward Island, Saskatchewan and Yukon, 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

Terms defined in *Regulation 14-101 respecting Definitions*, Regulation 11-102 and, in Québec, in *Regulation 14-501Q on definitions* have the same meaning if used in this order, unless otherwise defined.

Representations

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

1. the Filer is not an OTC reporting issuer under *Regulation 51-105 respecting 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 *Regulation 21-101 respecting 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

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.

"Benoît Gascon"
Directeur principal du financement des sociétés
Autorité des marchés financiers

OSC File #: 2024/0666

B.3
Reasons and Decisions

B.3.1 Baillie Gifford Overseas Limited

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Relief from sections 13.5(2)(b)(ii) and (iii) of NI 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations to permit in-specie transfers between related investment funds and managed accounts, subject to conditions.

Applicable Legislative Provisions

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

December 10, 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
BAILLIE GIFFORD OVERSEAS LIMITED
(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 Jurisdictions (the **Legislation)** granting an exemption from the prohibitions contained in sections 13.5(2)(b)(ii) and 13.5(2)(b)(iii) of National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations* (**NI 31-103**) to permit in specie subscriptions and redemptions (each such subscription or redemption, an ***In Specie*** **Transfer**) by:

(i) a Managed Account (as defined below) in relation to a Fund (as defined below); and

(ii) a Fund in relation to another Fund.

(the **Exemption Sought**).

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

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

(ii) the Filer has provided notice that section 4.7(1) of Multilateral Instrument 11-102 *Passport System* (**MI 11-102**) is intended to be relied upon in each of Alberta, Manitoba, Newfoundland and Labrador, Québec and Saskatchewan (together with the Jurisdiction, the **Jurisdictions**).

Interpretation

Terms defined in MI 11-102, National Instrument 14-101 *Definitions*, National Instrument 81-102 *Investment Funds* (**NI 81-102**) and NI 31-103 have the same meanings if used in this decision, unless otherwise defined. Additionally, the following terms shall have the following meanings:

"Clients" means individuals, private holding companies, pension plans, endowments, trusts, insurance companies, corporations, mutual funds and other entities to whom the Filer offers, or may offer, discretionary portfolio management services through a Managed Account.

"Discretionary Management Agreement" means a written agreement between the Filer and a Client seeking discretionary portfolio management or related services.

"Funds" means, collectively, each existing and any future investment fund

(i) that is not a reporting issuer in Canada,

(ii) the securities of which are distributed in Canada on a private placement basis pursuant to available prospectus exemptions, and

(iii) for which the Filer acts, or will act, as portfolio adviser and for which the Filer, or an affiliate of the Filer, acts or will act, as investment fund manager.

"Fund Securities" means units or shares of any of the Funds.

"Managed Account" means an account managed by the Filer for a Client that is not a "responsible person" as defined in section 13.5 of NI 31-103 and over which the Filer has discretionary authority.

Representations

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

The Filer

1. The Filer is a corporation incorporated under the laws of the United Kingdom with its head office in Edinburgh, Scotland.

2. The Filer is registered as (i) a portfolio manager in Alberta, Manitoba, Newfoundland and Labrador, Ontario, Québec and Saskatchewan and (ii) an exempt market dealer in each of the provinces and territories of Canada. The Filer also relies on the exemption from the investment fund manager registration requirements set out in section 4 of Multilateral Instrument 32-102 *Registration Exemptions for Non-Resident Investment Fund Managers* in each of Ontario, Québec and Newfoundland and Labrador.

3. The Filer is authorized in the United Kingdom by the Financial Conduct Authority and is also registered as an investment adviser with the U.S. Securities and Exchange Commission.

4. The Filer is not a reporting issuer in any jurisdiction of Canada and is not in default of securities legislation of any jurisdiction of Canada.

The Funds

5. Each of the Funds is, or will be, organized as a limited partnership, a corporation or a trust established under the laws of Ontario, another province or territory of Canada, or a jurisdiction outside Canada.

6. Each Fund is not, or will not be, a reporting issuer under the laws of any province or territory of Canada.

7. Each Fund meets, or will meet, the definition of 'investment fund' in the *Securities Act* (Ontario).

8. The Filer acts, or will act, as the portfolio adviser of each of the Funds. The Filer, or an affiliate of the Filer, will act as the investment fund manager of each of the Funds.

9. The Funds are not in default of securities legislation in any province or territory of Canada.

The Managed Accounts

10. The Filer offers discretionary portfolio management services to Clients seeking wealth management or related services under Discretionary Management Agreements between the Clients and the Filer.

11. Pursuant to the Discretionary Management Agreement entered into with each Client, the Client appoints the Filer to act as portfolio adviser in connection with an investment portfolio held in a Managed Account of the Client with full discretionary authority to trade in securities for the Managed Account without obtaining the specific consent or instructions of the Client to execute the trade.

12. The Filer may, where authorized under the applicable Discretionary Management Agreement, from time to time, invest the assets in a Client's Managed Account in securities of any one or more of the Funds in order to give such Client the benefit of asset diversification and economies of scale regarding minimum commission charges on portfolio trades, and generally to facilitate portfolio management.

In Specie Transfers

13. The Filer may wish to, or otherwise be required to, deliver portfolio securities held in a Managed Account or Fund to a Fund in respect of a purchase of Fund Securities, and may wish to, or otherwise be required to, receive portfolio securities from a Fund in respect of a redemption of Fund Securities by a Managed Account or Fund.

14. As the Filer is, or will be, the registered portfolio adviser of the Funds and the Managed Accounts that purchase or redeem Fund Securities pursuant to an *In Specie* Transfer, the Filer would be considered a "responsible person" within the meaning of NI 31-103 in respect of such Funds and Managed Accounts, and any affiliate of the Filer that has access to, or participates in formulating, an investment decision on behalf of such Funds or Managed Accounts would be a "responsible person" within the meaning of NI 31-103 in respect of such Funds and Managed Accounts.

15. As the Filer is, or may be, the trustee of a Fund which is organized as a trust, each such Fund may be an "associate" of the Filer, and accordingly, absent the grant of the Exemption Sought, the Filer may be precluded by section 13.5(2)(b)(ii) of NI 31-103 from effecting *In Specie* Transfers. As the Filer is, or will be, the portfolio adviser of the Funds, absent the grant of the Exemption Sought, the Filer may be precluded by section 13.5(2)(b)(iii) of NI 31-103 from effecting *In Specie* Transfers.

16. The Filer submits that effecting the *In Specie* Transfers will allow the Filer to manage each asset class more effectively and reduce transaction costs for the Clients and the Funds. For example, *In Specie* Transfers reduce market impact costs, which can be detrimental to the Clients and/or the Funds, and may provide access to a broader range of securities. *In Specie* Transfers also allow a portfolio adviser to retain within its control institutional-size blocks of portfolio securities that otherwise would need to be broken and re-assembled.

17. Prior to engaging in *In Specie* Transfers on behalf of a Managed Account, each Discretionary Management Agreement or other documentation will contain the authorization of the Client for the Filer, as portfolio adviser of the Managed Account, to engage in *In Specie* Transfers.

18. The only cost which may be incurred by a Managed Account or a Fund for an *In Specie* Transfer is a nominal administrative charge levied by the custodian of the relevant Fund for recording the trades and any commission charged by the dealer executing the trade.

19. The Filer or an affiliate of the Filer, as investment fund manager of the Funds, will value the securities transferred under an *In Specie* Transfer on the same valuation day on which the purchase price or redemption price of the Fund Securities of a Fund is determined. With respect to the purchase of Fund Securities of a Fund, the securities transferred to a Fund under an *In Specie* Transfer in satisfaction of the purchase price of those Fund Securities will be valued as if the securities were portfolio assets of the Fund, as contemplated by section 9.4(2)(b)(iii) of NI 81-102. With respect to the redemption of Fund Securities of a Fund, the securities transferred to a Managed Account or Fund in satisfaction of the redemption price of those Fund Securities will have a value equal to the amount at which those securities were valued in calculating the net asset value per security used to establish the redemption price of the Fund Securities of the Fund, as contemplated by section 10.4(3)(b) of NI 81-102.

20. Should any *In Specie* Transfer contemplated by the Exemption Sought involve the transfer of any "illiquid asset" (as defined in NI 81-102), such illiquid asset will be transferred on a *pro rata* basis and the Filer will obtain at least one quote for the asset from an independent arm's length purchaser or seller, immediately before effecting the *In Specie* Transfer. The Filer will not cause any Fund or Managed Account to engage in an *In Specie* Transfer if the applicable Fund is not in compliance with the portfolio restrictions on the holding of illiquid assets described in section 2.4 of NI 81-102.

21. *In Specie* Transfers will be subject to (i) compliance with the written policies and procedures of the Filer respecting *In Specie* Transfers that are consistent with applicable securities legislation, and (ii) the oversight of the Filer's Chief Compliance Officer, to ensure that the transaction represents the business judgment of the Filer acting in its discretionary capacity with respect to the Fund and the Managed Account, uninfluenced by considerations other than the best interests of the Fund and the Managed Account.

Decision

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

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

(a) If the transaction is the purchase of Fund Securities of a Fund by a Managed Account:

  (i) the Filer obtains the prior written consent of the Client of the Managed Account before it engages in any *In Specie* Transfer in connection with the purchase of Fund Securities of the Fund and such consent has not been revoked;

  (ii) the Fund would, at the time of payment, be permitted to purchase the portfolio securities held by the Managed Account;

  (iii) the portfolio securities are acceptable to the Filer, as portfolio adviser of the Fund, and consistent with the Fund's investment objectives;

  (iv) the value of the portfolio securities sold to the Fund by the Managed Account is equal to the issue price of the Fund Securities of the Fund for which they are used as payment, valued as if the securities were portfolio assets of that Fund; and

  (v) the account statement next prepared for the Managed Account will include a note describing the portfolio securities delivered to the Fund and the value assigned to such securities;

(b) If the transaction is the redemption of Fund Securities of a Fund by a Managed Account:

  (i) the Filer obtains the prior written consent of the Client of the Managed Account to the payment of redemption proceeds in the form of an *In Specie* Transfer;

  (ii) the portfolio securities are acceptable to the Filer as portfolio adviser of the Managed Account and consistent with the Managed Account's investment objectives;

  (iii) the value of the portfolio securities is equal to the amount at which those securities were valued in calculating the net asset value per Fund Security used to establish the redemption price;

  (iv) the holder of the Managed Account has not provided notice to terminate its Discretionary Management Agreement with the Filer; and

  (v) the account statement next prepared for the Managed Account will include a note describing the portfolio securities delivered to the Managed Account and the value assigned to such securities;

(c) If the transaction is the purchase of Fund Securities of a Fund by a Fund:

  (i) the Fund would, at the time of payment, be permitted to purchase the portfolio securities;

  (ii) the portfolio securities are acceptable to the Filer, as portfolio adviser of the Fund and consistent with the Fund's investment objectives; and

  (iii) the value of the portfolio securities is equal to the issue price of the Fund Securities of the Fund for which they are used as payment, valued as if the securities were portfolio assets of that Fund;

(d) If the transaction is the redemption of Fund Securities of a Fund by a Fund:

  (i) the portfolio securities are acceptable to the Filer, as portfolio adviser of the Fund and consistent with the Fund's investment objectives; and

  (ii) the value of the portfolio securities is equal to the amount at which those securities were valued in calculating the net asset value per Fund Security used to establish the redemption price of the Fund;

(e) Each Fund keeps written records of all *In Specie* Transfers in a financial year of the Fund, reflecting details of the portfolio securities delivered to and by the Fund and the value assigned to such securities, for five years after the end of the financial year with the most recent two years in a reasonably accessible place;

(f) The Filer does not receive any compensation in respect of any sale or redemption of Fund Securities of a Fund and, in respect of any delivery of portfolio securities further to an *In Specie* Transfer, the only charge paid by a Fund or Managed Account, if any, is a nominal administrative charge levied by the custodian for recording the trade and any commission charged by the dealer (if any) executing the trade.

(g) If the *In Specie* Transfer involves the transfer of an "illiquid asset" (as defined in NI 81-102), the Filer will obtain at least one quote for the asset from an independent arm's length purchaser or seller immediately before effecting the *In Specie* Transfer.

"Darren McKall"
Investment Management Division
Ontario Securities Commission

Application File #: 2024/0545

B.3.2 Fidelity Investments Canada ULC and The Top Funds

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Mutual fund that is not a reporting issuer granted extensions of the annual financial statement filing and delivery deadlines and the interim financial statement filing and delivery deadlines under NI 81-106 to permit the fund to file and deliver annual financial statements within 120 days of its most recently completed financial year and to file and deliver interim financial statements within 90 days of its most recently completed interim period – Fund invests the majority of its assets in Underlying Funds with later financial reporting deadlines – Relief subject to conditions including disclosure of extended financial reporting deadlines in the offering memorandum of the Fund.

Applicable Legislative Provisions

National Instrument 81-106 Investment Fund Continuous Disclosure, ss. 2.2, 2.4, 5.1(2) and 17.1.

December 11, 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
FIDELITY INVESTMENTS CANADA ULC
(the Filer)

AND

THE TOP FUNDS
(as defined below)

DECISION

Background

The principal regulator in the Jurisdiction has received an application from the Filer on behalf of itself, Fidelity Alternative Assets Institutional Trust (**FAAIT**) and Fidelity Alternative Real Estate Trust (**FARET,** and collectively with FAAIT, the **Top Funds**) for a decision under the securities legislation of the Jurisdiction of the principal regulator (**Legislation**) to request relief from section 2.2, section 2.4, paragraph 5.1(2)(a) and paragraph 5.1(2)(b) of National Instrument 81-106 Investment Fund Continuous Disclosure (NI 81-106) on behalf of the Filer.

The Filer and the Top Funds, request a decision, pursuant to section 17.1 of NI 81-106, exempting the Top Funds from:

(a) the requirement in section 2.2 of NI 81-106 that the Top Funds file their audited annual financial statements and auditor's report (the **Annual Financial Statements**) on or before the 90th day after the Top Funds' most recently completed financial year (the **Annual Filing Deadline**);

(b) the requirement in paragraph 5.1(2)(a) of NI 81-106 that the Top Funds deliver to securityholders their Annual Financial Statements by the Annual Filing Deadline (the **Annual Delivery Requirement**)

(c) the requirement in section 2.4 of NI 81-106 that the Top Funds file their unaudited interim financial statements (the **Interim Financial Statements**) on or before the 60th day after the Top Funds' most recently completed interim period (the **Interim Filing Deadline**)

(d) the requirement in paragraph 5.1(2)(b) of NI 81-106 that the Top Funds deliver to securityholders their Interim Financial Statements by the Interim Filing Deadline (the **Interim Delivery Requirement**), (collectively, the **Exemption Sought**).

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

(a) the Ontario Securities Commission is the principal regulator (the **Principal Regulator**) for this application as the head office of the Filer is located in Ontario, and

(b) the Filer has provided notice that section 4.7(1) of Multilateral Instrument 11-102 *Passport System* (**MI 11-102**) is intended to be relied upon in each of the other provinces and territories of Canada (the **Other Jurisdictions** and, together with the Jurisdiction, the **Jurisdictions**).

Interpretation

Unless expressly defined herein, terms used have the respective meanings given to them in MI 11-102, National Instrument 14-101 *Definitions,* National Instrument 81-102 *Investment Funds* and NI 81-106.

Representations

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

The Filer

1. The Filer is a corporation amalgamated under the laws of the Province of Alberta with its head office located in Toronto, Ontario.

2. The Filer is registered as an investment fund manager in Ontario, Québec and Newfoundland and Labrador. The Filer is also registered as a portfolio manager, mutual fund dealer and exempt market dealer in each of the Jurisdictions and is registered under the Commodity Futures Act (Ontario) in the category of commodity trading manager.

3. The Filer acts as investment fund manager and portfolio manager of each Top Fund.

4. The Filer, a related party of the Filer or a third party acts as trustee or general partner of each Top Fund.

5. The Filer is not a reporting issuer in any jurisdiction and is not in default of securities legislation in any of the Jurisdictions.

The Top Funds

6. Each Top Fund is an investment fund established as a trust under the laws of Ontario.

7. Each Top Fund is a mutual fund under the securities legislation of the Jurisdictions.

8. Securities of the Top Funds are offered for sale to qualified investors in one or more Jurisdictions pursuant to an exemption from the prospectus requirements, including the accredited investor exemption under National Instrument 45-106 *Prospectus Exemptions* or equivalent. In the case of Fidelity Alternative Assets Institutional Trust, securities are only offered for sale to other investment funds that are not reporting issuers and that are managed by the Filer (collectively, **Institutional Pooled Funds**).

9. The Top Funds are not a reporting issuer in any Jurisdiction.

10. The Top Funds have a financial year end of December 31.

11. Each Top Fund's investment objective is to invest, or will be achieved by investing, in Underlying Funds, which may pursue a variety of investment strategies.

12. The investment objective of FAAIT is to seek to provide total return, consisting of income and long-term capital growth through investments in private issuers of securities that: (i) invest directly and indirectly in private market assets, globally; and/or (ii) deploy alternative investment strategies (collectively, the **FAAIT Underlying Funds**, and individually, a **FAAIT Underlying Fund**).

13. The investment objective of FARET is to aim to provide a combination of long-term capital appreciation and income by investing in both private and public real estate assets in Canada. FARET seeks to achieve its investment objective by investing, directly or indirectly, in a portfolio of private and public real estate assets.

14. The Underlying Funds will be managed by the Filer, an affiliate of the Filer or a third party.

15. The Filer believes that the Top Funds' investment in the Underlying Funds offers benefits not available through a direct investment in the investment vehicles, companies, other issuers or assets held by the relevant Underlying Fund(s).

16. Securities of the Top Funds will typically be redeemable at various intervals, as will securities of certain Underlying Funds. As each Top Fund has a medium- to long-term investment horizon, each Top Fund will be able to manage its own liquidity requirements by: (i) investing a portion of its assets in liquid securities; (ii) imposing redemption conditions, which will be disclosed in the Top Fund's offering memorandum; and/or (iii) taking into consideration the frequency at which securities of the Underlying Funds may be redeemed.

17. The net asset value of each Top Fund is calculated monthly, as of the last business day of each calendar month, and investors will be provided with the net asset value within ninety to 120 days of the relevant valuation date.

18. Certain holdings of each Top Fund invested in securities of the Underlying Funds may be disclosed in the Top Fund's financial statements.

The Underlying Funds

19. The FAAIT Underlying Fund and the FARET Underlying Fund are both organized under the laws of Canada or a Jurisdiction.

20. The Underlying Funds may have varying financial year-ends and may be subject to a variety of financial reporting deadlines. Currently, each of the Underlying Funds held by each Top Fund has a financial year-end of December 31. Therefore, the Top Funds will not be able to obtain the finalized financial statements of the Underlying Funds prior to the Annual Filing Deadline or the Interim Filing Deadline for filing the Financial Statements and, in all cases, no sooner than other investors in the Underlying Funds receive the financial statements of the Underlying Funds. The Filer expects this timing delay in the completion of the Annual Financial Statements and the Interim Financial Statements of each Top Fund to occur every year for the foreseeable future.

21. The offering memorandum of each Top Fund that will be provided to prospective investors, except Institutional Pooled Funds, will disclose, or such investors will be otherwise notified, that: (i) the Annual Financial Statements for such Top Fund will be delivered to each investor within 120 days of such Top Fund's financial year end; and (ii) the Interim Financial Statements for such Top Fund will be delivered to each investor within 90 days following the end of each interim period of such Top Fund.

22. The Filer will notify securityholders of the Top Funds that it has received and intends to rely on relief from the Annual Filing Deadline and Annual Delivery Requirement and the Interim Filing Deadline and the Interim Delivery Requirement.

Financial Statement Filing and Delivery Requirements

23. Section 2.2 and paragraph 5.1(2)(a) of NI 81-106 require a Top Fund to file and deliver its annual audited financial statements by the Annual Filing Deadline. As each Initial Top Fund's financial year end is December 31, it has a financial statement filing and delivery deadline of March 31 in a non-leap year.

24. Section 2.4 and paragraph 5.1(2)(b) of NI 81-106 require a Top Fund to file and deliver its interim financial statements by the Interim Filing Deadline. As each Top Fund's interim period-end will be June 30 in a non-leap year, the Top Funds will have an interim filing and delivery deadline of August 29 in a non-leap year.

25. Section 2.11 of NI 81-106 provides an exemption (the Filing Exemption) from the Annual Filing Deadline if, among other things, an investment fund delivers its annual financial statements in accordance with Part 5 of NI 81-106 by the Annual Filing Deadline and the Interim Filing Deadline, as applicable.

26. As noted above, the Underlying Funds may have varying financial year ends and may be subject to a variety of financial reporting deadlines contemplated by NI 81-106 and that are applicable to the Top Funds. In addition, even if such reporting deadlines are aligned, they do not allow for sufficient time for the Filer, the Top Funds and the auditor of the Top Funds, as applicable, to prepare the applicable financial statements and reports in a manner to meet the deadlines set out in NI 81-106.

27. In order to formulate an opinion on the financial statements of each Top Fund, the Top Fund's auditor requires audited financial statements of its respective Underlying Fund(s) as at the date of the financial year-end of the Top Fund in order to audit the information contained in the Top Fund's financial statements.

28. The auditors of the Top Funds have advised the Filer that they will be unable to complete the audit of the Top Funds' annual financial statements until the audited financial statements of the FAAIT Underlying Fund and FARET Underlying Fund, respectively, are completed and available to the applicable Top Fund.

29. With respect to Underlying Funds managed by the Filer, the added costs associated with expedited auditing services in order to provide their financial statements at an earlier date outweigh the expected benefit to the unitholders of the Top Funds.

30. Each Top Fund therefore seeks an extension of the Annual Filing Deadline and Annual Delivery Requirement to within 120 days after its year end, to enable the Top Fund's auditors to receive the audited financial statements of the relevant Underlying Fund(s) and then prepare the Top Fund's annual audited financial statements.

31. Each Top Fund seeks an extension of the Interim Filing Deadline and the Interim Delivery Requirement to permit delivery within 90 days of such Top Fund's most recently completed interim period, to enable the Top Fund to first receive the interim financial reports of the relevant Underlying Funds so as to be able to determine the net asset value of the relevant Underlying Funds and prepare such Top Fund's interim financial statements.

Decision

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

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

(a) The Top Funds have a financial year ended December 31.

(b) Each Top Fund's investment strategy is to primarily invest the Top Fund's investable assets in securities of one or more Underlying Funds whose investment objectives are compatible with the Top Fund's investment objectives.

(c) Each Top Fund invests the majority of its assets in Underlying Funds.

(d) No less than 25% of the total assets of each Top Fund as at its financial year end of December 31 are invested in Underlying Funds that have financial years ends corresponding to each Top Fund and are subject to laws of their jurisdictions, or applicable exemptive relief, that require annual financial statements of the Underlying Funds to be delivered within 120 days of their financial year ends and interim financial statements to be delivered between 60 and 90 days of their most recent interim period.

(e) The offering memorandum provided to prospective investors, except Institutional Pooled Funds, regarding the Top Funds discloses that:

   1. the Annual Financial Statements for the Top Funds will be filed and delivered on or before the 120th day after the Top Fund's most recently completed financial year; and

   2. the Interim Financial Statements for the Top Funds will be filed and delivered on or before the 90th day after the Top Fund's most recently completed interim period, subject to regulatory approval.

(f) Each of the Top Funds notify its securityholders that the Top Funds have received and intends to rely on relief from the filing and delivery requirements under section 2.2, section 2.4, paragraph 5.1(2)(a) and paragraph 5.1(2)(b) of NI 81-106.

(g) The Top Fund is not a reporting issuer in any jurisdiction of Canada, and the Filer has the necessary registrations to carry out its operations in each jurisdiction of Canada in which it operates.

(h) The conditions in section 2.11 of NI 81-106 will be met, except for subsection 2.11(b), and:

   1. the Annual Financial Statements will be delivered to securityholders of the Top Fund in accordance with Part 5 of NI 81-106 on or before the 120th day after the Top Fund's most recently completed financial year; and

   2. the Interim Financial Statements will be delivered to securityholders of the Top Fund in accordance with Part 5 of NI 81-106 on or before the 90th day after the Top Fund's most recently completed interim period.

(j) This Exemption Sought terminates within one year of the coming into force of any amendment to NI 81-106 or other rule that modifies how the Annual Filing Deadline, Annual Delivery Requirement, Interim Filing Deadline or Interim Delivery Requirement applies in connection with mutual funds under the Legislation.

"Darren McKall"
Investment Management Division
Ontario Securities Commission

Application File #: 2024/0580
SEDAR+ File #: 6191027

B.3.3 BSR Real Estate Investment Trust

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Multilateral Instrument 61-101 Protection of Minority Security Holders in Special Transactions – issuer's operating business is carried on by limited liability company – entity holds units in limited liability company which are exchangeable into and in all material respects the economic equivalent to the issuer's publicly traded trust units – issuer may include entity's indirect interest in issuer when calculating market capitalization for the purposes of using the 25% market capitalization exemption for certain related party transactions – relief granted subject to conditions.

Applicable Legislative Provisions

Multilateral Instrument 61-101 Protection of Minority Security Holders in Special Transactions, ss. 5.5(a), 5.7(1)(a) and 9.1.

December 11, 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
BSR REAL ESTATE INVESTMENT TRUST
(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 Filer be granted an exemption pursuant to section 9.1 of Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**") from the minority approval and formal valuation requirements under Part 5 of MI 61-101 relating to any related party transaction of the Filer entered into indirectly through BSR Trust, LLC ("**BSR Trust**") or a subsidiary entity (as such term is defined in MI 61-101) of BSR Trust, if that transaction would qualify for the transaction size exemptions set out in sections 5.5(a) and 5.7(1)(a) of MI 61-101 if the indirect equity interest in the Filer in the form of Class B Units (defined below) was included in the calculation of the Filer's market capitalization (collectively, the "**Exemption Sought**").

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

(a) the Ontario Securities Commission is the principal regulator for the 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 Québec, Alberta, Manitoba, Saskatchewan and New Brunswick.

INTERPRETATION

Terms defined in National Instrument 14-101 *Definitions,* MI 11-202 and MI 61-101 have the same meaning if used in this decision unless otherwise defined herein.

REPRESENTATIONS

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

1. The Filer is an unincorporated open-ended real estate investment trust established under the laws of the Province of Ontario. The Filer is governed pursuant to a third amended and restated declaration of trust dated May 11, 2022, as the same may be further amended and/or restated from time to time ("**Declaration of Trust**").

2. The Filer's head office is located at 333 Bay Street, Suite 3400, Toronto, Ontario, Ontario M5H 2S7.

3. The Filer is a reporting issuer (or the equivalent thereof) in Alberta, British Columbia, Manitoba, New Brunswick, Newfoundland and Labrador, Northwest Territories, Nova Scotia, Nunavut, Ontario, Prince Edward Island, Quebec, Saskatchewan and Yukon Territory and, is not currently in default of any applicable requirements of the securities legislation thereunder.

4. The Filer is authorized to issue an unlimited number of trust units of the REIT ("**REIT Units**"). As of the date hereof, there are 33,418,469 REIT Units issued and outstanding.

5. The REIT Units are listed and posted for trading on the Toronto Stock Exchange (the "**TSX**") in U.S. dollars under the trading symbol "HOM.U" and in Canadian dollars under the trading symbol "HOM.UN".

6. The Filer owns a portfolio of 31 multifamily properties located in five major metropolitan markets within three bordering states in the Sunbelt region of the United States.

7. The portfolio of properties is held indirectly through wholly-owned subsidiary limited liability companies or limited partnerships by BSR Trust, the operating subsidiary of the Filer.

8. BSR Trust is a limited liability company formed under the laws of the State of Delaware. BSR Trust is governed by a fourth amended and restated limited liability company agreement dated as of May 18, 2018, as the same may be further amended and/or restated from time to time (the "**Operating Agreement**").

9. BSR Trust's head office is located at 1209 Orange Street, Wilmington, Delaware, U.S.A., 19801. The principal place of business of BSR Trust is located at 1400 West Markham Street, Suite 202, Little Rock, Arkansas, U.S.A., 72201.

10. BSR Trust is not a reporting issuer (or the equivalent thereof) in any jurisdiction and none of its securities are listed or posted for trading on any stock exchange or other market.

11. BSR REIT Holdings, Inc. ("**U.S. Holdco**") is a corporation formed under the laws of the State of Delaware. U.S. Holdco is a wholly-owned subsidiary of the Filer.

12. The Filer's sole material asset is its wholly-owned interest in U.S. Holdco, and therefore indirect interest in BSR Trust.

13. U.S. Holdco is not a reporting issuer (or the equivalent thereof) in any jurisdiction and none of its securities are listed or posted for trading on any stock exchange or other market.

14. BSR Trust is authorized to issue an unlimited number of Class A units ("**Class A Units**") and an unlimited number of Class B units ("**Class B Units**"). As of the date hereof, 100% of the Class A Units are owned by U.S. Holdco. There are 20,096,649 Class B Units issued and outstanding.

15. The Filer completed its initial public offering of 13,500,000 REIT Units on May 18, 2018 (the "**IPO**").

16. As further described in the final prospectus of the Filer dated May 11, 2018 (the "**Prospectus**"), immediately prior to the IPO, ownership and profit interests in BSR Trust were held by approximately 400 members (the "**Legacy BSR Holders**"). Certain of the Legacy BSR Holders are members or affiliates of the Bailey family (the "**Bailey Holders**") or are members or affiliates of the Hughes family (the "**Hughes Holders**", and together with the Bailey Holders, the "**Bailey/Hughes Holders**"), who together founded BSR Trust prior to the formation of the Filer. John S. Bailey is a principal security holder of the REIT, the former Chief Executive Officer of the REIT and one of its predecessors, and the former Executive Vice-Chair of the board of trustees of the REIT (the "**Board**"). W. Daniel Hughes, Jr. is currently a trustee on the Board and is the former Chief Executive Officer of one of the REIT's predecessors. Both John S. Bailey and W. Daniel Hughes, Jr. are related parties of the REIT. Upon the closing of the IPO, and following certain pre-closing reorganization events involving BSR Trust, a subsidiary of the Filer merged with and into BSR Trust, resulting in the Filer indirectly acquiring an interest in an initial portfolio of multifamily residential properties. In connection with the merger, all of the issued and outstanding securities of BSR Trust held by the Legacy BSR Holders were exchanged for new Class B Units.

17. As of the date hereof, all of the outstanding Class A Units of BSR Trust are owned by U.S. Holdco. As of the date hereof, all of the outstanding Class B Units of BSR Trust are owned by Legacy BSR Holders and certain third party investors who have, following the IPO, received Class B Units in consideration for the exchange of real property interests.

18. As of the date hereof, the Bailey/Hughes Holders together own 16,080,645 Class B Units and 5,078,484 REIT Units, together representing an approximate 40% ownership interest in the Filer (determined as if all Class B Units are redeemed for REIT Units).

19. The Class B Units are, in all material respects, economically equivalent to the REIT Units on a per unit basis. Under the terms of the Operating Agreement:

19.1. The Class B Units are redeemable by the holder thereof for either cash or REIT Units (on a one-for-one basis subject to customary anti-dilution adjustments), as determined by BSR Trust in its sole discretion;

19.2. The holders of Class B Units are entitled to receive distributions from BSR Trust on the same per unit basis as holders of REIT Units;

19.3. The Class B Units do not carry a voting right with respect to matters put before holders of REIT Units for a vote; and

19.4. Transfers of Class B Units are generally not permitted, subject to limited exceptions (e.g. transfers to affiliates).

20. It is anticipated that the Filer, indirectly through BSR Trust or a subsidiary entity of BSR Trust, may from time to time enter into transactions with certain related parties (as such term is defined in MI 61-101), including certain of the Bailey/Hughes Holders or their affiliates who are related parties for the purposes of MI 61-101.

21. If Part 5 of MI 61-101 applies to a related party transaction by an issuer and the transaction is not otherwise exempt:

21.1. the issuer must obtain a formal valuation of the transaction in a form satisfying the requirements of MI 61-101 prepared by an independent valuator; and

21.2. the issuer must obtain approval of the transaction by disinterested holders of the affected securities of the issuer (together, the requirements in paragraphs 21.1 and 21.2 are referred to as the "**Minority Protections**").

22. A related party transaction that is subject to MI 61-101 may be exempt from the Minority Protections if, at the time the transaction is agreed to, neither the fair market value of the subject matter of, nor the fair market value of the consideration for, the transaction exceeds 25% of the issuer's market capitalization (the "**Transaction Size Exemption**").

23. The Filer may not be entitled to rely on the Transaction Size Exemption available under MI 61-101 from the requirements relating to related party transactions in MI 61-101 because the definition of "market capitalization" in MI 61-101 does not contemplate securities of another entity that are exchangeable into equity securities of the issuer.

24. The Class B Units represent part of the equity value of the Filer and provide the holder of the Class B Units with economic rights which are, in all material respects, equivalent to the REIT Units. Taken together, the effect of the redemption right of the holders of the Class B Units and the related right of BSR Trust to pay cash or cause REIT Units to be issued in connection with the exercise of such redemption right is that a holder of Class B Units is entitled to receive only REIT Units, or the value of such REIT Units, upon the redemption of Class B Units pursuant to the terms of the Operating Agreement. Moreover, the economic interests that underlie the Class B Units are identical to those underlying the REIT Units; namely, the assets held indirectly by BSR Trust.

25. If the Class B Units are not included in the market capitalization of the Filer, the equity value of the Filer will be understated by the value of the Class B Units (currently being approximately 38%). As a result, related party transactions of the Filer may be subject to the Minority Protections in circumstances where the fair market value of the transactions is effectively less than 25% of the fully-diluted market capitalization of the Filer (for greater certainty, excluding any outstanding unit-based incentive awards).

26. Section 1.4 of MI 61-101 treats an operating entity of an "income trust", as such term is defined in National Policy 41-201 – *Income Trusts and Other Indirect Offerings* ("**NP 41-201**"), on a consolidated basis with its parent trust entity for the purpose of determining which entities are related parties of the issuer and to what transactions MI 61-101 should apply. Section 1.2 of NP 41-201 provides that references to an "income trust" refer to a trust or other entity (including corporate and non-corporate entities) that issues securities which provide for participation by the holder in net cash flows generated by an underlying business owned by the trust or other entity. Therefore, it is consistent with MI 61-101 that the Class B Units should be treated on a consolidated basis for the purposes of the Transaction Size Exemption.

27. The inclusion of the Class B Units when determining the Filer's market capitalization pursuant to MI 61-101 is consistent with the logic of including unlisted equity securities of the issuer which are convertible into listed securities of the issuer in determining an issuer's market capitalization in that both are securities that are considered part of the equity value of the issuer whose value is measured on the basis of the listed securities into which they are convertible or exchangeable.

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 be granted provided that:

(a) the applicable transaction would qualify for the Transaction Size Exemption contained in MI 61-101 if the Class B Units were considered an outstanding class of equity securities of the Filer that were convertible into REIT Units;

(b) there is no material change to the terms of the Class B Units, including the redemption rights associated therewith, as described above and in the Declaration of Trust and the Operating Agreement, whether by amendment to such documents, contractual agreement or otherwise;

(c) the applicable transaction is made in compliance with the rules and policies of the TSX or such other exchange upon which the Filer's securities trade; and

(d) any material change report filed in respect of a related party transaction in which the Exemption Sought is applicable and the annual information form or equivalent of the Filer that is filed or required to be filed in accordance with applicable Canadian securities laws contain the following disclosure, with any immaterial modifications as the context may require:

"Multilateral Instrument 61-101 *Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**") provides a number of circumstances in which a transaction between an issuer and a related party may be subject to formal valuation and minority approval requirements under MI 61-101. An exemption from such requirements is available when the fair market value of the transaction does not exceed more than 25% of the market capitalization of the issuer. BSR Real Estate Investment Trust (the "**REIT**") has been granted exemptive relief from the requirements of MI 61-101 that, subject to certain conditions, permits it to be exempt from the minority approval and formal valuation requirements for transactions that would have a value of less than 25% of the REIT's market capitalization, if the Class B units ("**Class B Units**") of BSR Trust, LLC ("**BSR Trust**") are included in the calculation of the REIT's market capitalization. As a result, the 25% threshold, above which the minority approval and formal valuation requirements would apply, is increased to include the approximately 38% indirect redeemable equity interest in the REIT held in the form of Class B Units of BSR Trust."

"David Mendicino"
Manager, Corporate Finance Division
Ontario Securities Commission

B.3.4 Guardian Capital LP and Galibier Capital Management Ltd.

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. The Filers are affiliated entities and have valid business reasons for the individual to be registered with both firms. The Filers have policies in place to handle potential conflicts of interest. The Filers are exempted from the prohibition on a time-limited basis.

Applicable Legislative Provisions

Multilateral Instrument 11-102 Passport System, s. 4.7.
National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations, ss. 4.1 and 15.1.

December 12, 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
GUARDIAN CAPITAL LP
(GCLP)**

AND

**GALIBIER CAPITAL MANAGEMENT LTD.
(Galibier, and together with GCLP, the Filers)**

DECISION

Background

The principal regulator in the Jurisdiction (the **Decision Maker**) has received an application from the Filers for a decision under the securities legislation of the Jurisdiction (the **Legislation**), pursuant to section 15.1 of National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations* (**NI 31-103**), for an exemption from the restrictions in paragraph 4.1(1)(b) of NI 31-103 to permit a maximum of five (5) advising representatives or associate advising representatives of GCLP, including Samuel Baldwin, Donald Macklin, Sera Kim (collectively, the **Representatives**) to be registered as advising representatives or associate advising representatives, as the case may be, of Galibier (the **Exemption Sought**).

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

(a) the Ontario Securities Commission (**OSC**) is the principal regulator of the Filers for this application, and

(b) the Filers have provided notice that subsection 4.7(1) of Multilateral Instrument 11-102 Passport System (**MI 11-102**) is intended to be relied upon in Alberta, British Columbia, Québec, Newfoundland and Labrador, Nova Scotia and Saskatchewan (collectively with Ontario, the **Jurisdictions**).

Interpretation

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

Representations

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

1. GCLP is a wholly-owned subsidiary of Guardian Capital Group Limited (**GCG**), a corporation incorporated under the laws of Ontario. Through its principal operating subsidiaries, GCG offers a broad range of investment products and services. The head office of GCLP is located in Toronto, Ontario.

2. GCLP is a limited partnership established under the laws of Ontario and is registered as a Portfolio Manager and Exempt Market Dealer in all provinces, a Commodity Trading Manager and Commodity Trading Counsel in Ontario and Investment Fund Manager in Ontario, Québec and Newfoundland and Labrador.

3. GCLP acts as Investment Fund Manager of and Portfolio Manager to, various investment funds, including retail mutual funds and exchange-traded funds that are subject to the requirements of National Instrument 81-102 *Investment Funds* and privately offered pooled funds.

4. Galibier is a corporation amalgamated under the federal laws of Canada and is registered as a Portfolio Manager in the provinces of Alberta, British Columbia, Ontario, Québec, Newfoundland and Labrador, Nova Scotia and Saskatchewan, as an Investment Fund Manager in the provinces of Ontario, Québec and Newfoundland and Labrador, and as an Exempt Market Dealer in the province of Ontario. The head office of Galibier is located in Toronto, Ontario.

5. Galibier acts as Investment Fund Manager of and Portfolio Manager to the following privately offered pooled funds: (i) Galibier Canadian Equity Pool; (ii)

Galibier Global Equity Pool; and (iii) Galibier Opportunities Fund (collectively, the **Pools**).

6. GCLP and Galibier are affiliates following the closing of an acquisition (the **Acquisition**), pursuant to which the shareholders of Galibier sold all of the issued and outstanding shares of Galibier to 16123929 Canada Inc. 16123929 Canada Inc. (now named Galibier Capital Management Ltd., following an immediate amalgamation with Galibier after closing of the Acquisition) is a wholly-owned subsidiary of GCLP. Accordingly, GCLP has direct ownership of 100% of the voting securities of Galibier.

7. The Filers intend that the Representatives will assist the current Galibier advising representatives with Galibier client mandates (i.e., advisory support role). The Filers wish to allow Galibier to leverage the knowledge, expertise and experience of the Representatives in advising Galibier clients, including the Pools. The current Galibier advising representatives will remain responsible for client relationships and continue to act as client contacts. The current Galibier client relationships will not change. Further, there are no contemplated changes to the investment strategies of the current client mandates of Galibier in connection with the Acquisition.

8. The dual registration of the Representatives will help to optimize the Filers' resources and will increase their operational efficiency.

9. The Representatives will be subject to supervision by, and the applicable compliance requirements of, both Filers.

10. The Filers' Chief Compliance Officer and Ultimate Designated Person will ensure that each Representative has sufficient time and resources to adequately serve each Filer and its clients.

11. The Filers are not in default of any requirement of securities, commodity futures or derivatives legislation in any of the Jurisdictions.

12. In the absence of the Exemption Sought, the Filers would be prohibited by the Dual-Registration Restriction from permitting a Representative to be registered as an advising representative or associate advising representative, as the case may be, of both Filers, even though the Filers are affiliates and have controls and compliance procedures in place to deal with the Representatives' activities.

13. GCLP and Galibier are affiliated and accordingly, the dual registration of the Representatives will not give rise to the conflicts of interest present in a similar arrangement involving unrelated, arm's length firms. The interests of the Filers are aligned as both Filers wish to leverage the Representatives' knowledge, expertise and experience for the benefit of Galibier clients. Therefore, the potential for conflicts of interest is minimal.

14. The Filers each have adequate policies and procedures in place to address any potential conflicts of interest that may arise as a result of the dual registration of the Representatives and will be able to deal appropriately with any such conflicts.

15. It is not expected that the dual registration of the Representatives will lead to any client confusion since the principal client bases of each of the Filers are investment funds, institutional investors and other sophisticated investors.

16. All accounts managed by GCLP advising representatives adhere to a security allocation policy to ensure that investment opportunities suitable for funds and clients are allocated between them fairly. Galibier currently has similar policies and will also be subject to GCLP's security allocation policy as applicable. The Filers also have policies and procedures to address any potential conflicts of interest including trade allocation where there is overlap in portfolio holdings between accounts managed by these affiliated entities.

17. As the Representatives will be engaging in functionally similar types of activities at each Filer, the Filers are confident that the Representatives will continue to have sufficient time to adequately serve both firms, their clients and funds.

18. The Representatives will act fairly, honestly and in good faith and in the best interests of the clients of each Filer.

19. The relationship between GCLP and Galibier, and the fact that a Representative is dually registered with both GCLP and Galibier, will be fully disclosed, in writing or verbally, to clients and funds of Galibier that deal with the Representative.

Decision

The Decision Maker in respect of the Exemption Sought is satisfied that the decision meets the test set out in the Legislation.

The decision of the Decision Maker under the Legislation is that the Exemption Sought is granted provided that:

i. at any point in time, no more than five (5) Representatives, including Samuel Baldwin, Donald Macklin, Sera Kim, are dually registered with both Filers;

ii. the Representatives are subject to supervision by both Filers and applicable compliance requirements of both Filers;

iii. the Chief Compliance Officer and Ultimate Designated Person of each Filer ensure that the Representatives have sufficient

time and resources to adequately serve each Filer and its respective clients;

iv. each Filer has adequate policies and procedures in place to address any potential conflicts of interest that may arise from the dual registration of the Representatives, and deal appropriately with any such conflicts; and

v. the relationship between the Filers and the fact that a Representative is dually registered with both of the Filers is fully disclosed in writing to Galibier's clients that deal with the Representative.

vi. The decision will expire seven (7) years from the date of the decision.

"Elizabeth Topp"
Manager, Investment Management Division
Ontario Securities Commission

OSC File #: 2024/0485

B.3.5 Polar Asset Management Partners Inc.

Headnote

Pursuant to National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Relief from the prohibition on the use of corporate officer titles by certain registered individuals in respect of institutional clients – Relief does not extend to interactions by registered individuals with retail clients.

Applicable Legislative Provisions

Multilateral Instrument 11-102 Passport System, s. 4.7(1).
National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations, ss. 13.18(2)(b) and 15.1(2).

December 13, 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
POLAR ASSET MANAGEMENT PARTNERS INC.
(the Filer)**

DECISION

Background

The principal regulator in the Jurisdiction has received an application from the Filer for a decision under the securities legislation of the Jurisdiction (the **Legislation**) that pursuant to section 15.1 of National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations* (**NI 31-103**), the Filer and its Registered Individuals (as defined below) are exempt from the prohibition in paragraph 13.18(2)(b) of NI 31-103 that a registered individual may not use a corporate officer title when interacting with clients, unless the individual has been appointed to that corporate office by their sponsoring firm pursuant to applicable corporate law, in respect of Institutional Clients (as defined below) (the **Exemption Sought**).

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

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

(b) the Filer has provided notice that subsection 4.7(1) of Multilateral Instrument 11-102

Passport System (**MI 11-102**) is intended to be relied upon by the Filer and its Registered Individuals (as defined below) in each of the other provinces and territories of Canada (together with the Jurisdiction, the Jurisdictions) in respect of the Exemption Sought.

Interpretation

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

Representations

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

1. The Filer is a corporation existing under the laws of Ontario. The head office of the Filer is located in Toronto, Ontario.

2. The Filer is registered as an exempt market dealer under the securities legislation of all Canadian provinces, as a portfolio manager in Alberta and Ontario, as an investment fund manager in Newfoundland and Labrador, Ontario, and Québec, and as a commodity trading manager in Ontario.

3. The Filer is not in default of securities legislation in any province or territory of Canada.

4. The Filer is a global alternative asset manager which offers its services and investment products to individual, corporate and institutional clients.

5. The Filer is the sponsoring firm for registered individuals that interact with clients and that will use a corporate officer title without being appointed to the corporate office of the Filer pursuant to applicable corporate law (the **Registered Individuals**). The number of Registered Individuals may increase or decrease from time to time as the business of the Filer changes. As of the date of this decision, the Filer has approximately sixteen (16) Registered Individuals.

6. The Registered Individuals will use titles that include the words “Vice President”, “Director” and “Managing Director”, and the Registered Individuals may use additional corporate officer titles in the future (collectively, the **Titles**).

7. The Filer has a process in place for awarding the Titles, which sets out the criteria for each of the Titles. The Titles are based on criteria including seniority and experience, and a Registered Individual’s sales activity or revenue generation is not a primary factor in the decision by the Filer to award one of the Titles.

8. The Registered Individuals interact primarily with institutional clients that are, each, a non-individual “permitted client” as defined in section 1.1 of NI 31-103 (the **Institutional Clients**).

9. To the extent a Registered Individual interacts with clients that are not Institutional Clients (the **Retail Clients**), the Filer has policies, procedures and controls in place to ensure that such Registered Individual will only use a Title when interacting with Institutional Clients, and will not use a Title in any interaction with Retail Clients, including in any communications, such as written and verbal communications, that are directed at, or may be received by, Retail Clients.

10. The Filer will not grant any registered individual that interacts primarily with Retail Clients, nor will such registered individual be permitted by the Filer to use, a corporate officer title other than in compliance with paragraph 13.18(2)(b) of NI 31-103.

11. Section 13.18 of NI 31-103 prohibits registered individuals in their client-facing relationships from, among other things, using titles or designations that could reasonably be expected to deceive or mislead existing and prospective clients. Paragraph 13.18(2)(b) of NI 31-103 specifically prohibits the use of corporate officer titles by registered individuals who interact with clients unless the individuals have been appointed to those corporate offices by their sponsoring firms pursuant to applicable corporate law.

12. There would be significant operational and human resources challenges for the Filer to comply with the prohibition in paragraph 13.18(2)(b). In addition, the Titles are widely used and recognized throughout the institutional and issuer segments of the investment industry within Canada and globally, and being unable to use the Titles has the potential to put the Filer and its Registered Individuals at a competitive disadvantage as compared to non-Canadian firms that are not subject to the prohibition and who compete for the same institutional clients.

13. Given their nature and sophistication, the use of the Titles by the Registered Individuals would not be expected to deceive or mislead existing and prospective Institutional Clients.

14. For the reasons provided above, it would not be prejudicial to the public interest to grant the Exemption Sought.

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, when using the Titles, the Filer and its Registered Individuals interact only with existing and prospective clients that are

exclusively non-individual "permitted clients" as defined in NI 31-103.

This decision will terminate six months, or such other transition period as may be provided by law, after the coming into force of any amendment to NI 31-103 or other applicable securities law that affects the ability of the Registered Individuals to use the Titles in the circumstances described in this decision.

"Elizabeth Topp"
Manager, Investment Management
Ontario Securities Commission

OSC File #: 2024/0603

B.3.6 1832 Asset Management L.P. et al.

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – relief granted under subsection 62(5) of the Securities Act to permit the extension of two prospectus lapse dates by 64 and 132 days, respectively, to facilitate the consolidation of the funds' prospectuses with the prospectus of different funds under common management – no conditions.

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., s. 62(5).

December 11, 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
1832 ASSET MANAGEMENT L.P.
(the Filer)**

AND

1832 AM CANADIAN DIVIDEND LP

1832 AM CANADIAN GROWTH LP

1832 AM GLOBAL COMPLETION ETF LP

1832 AM GLOBAL LOW VOLATILITY EQUITY LP

1832 AM INTERNATIONAL EQUITY LP

1832 AM TACTICAL ASSET ALLOCATION ETF LP

1832 AM TOTAL RETURN BOND LP

1832 AM U.S. DIVIDEND GROWERS LP

**1832 AM U.S. LOW VOLATILITY EQUITY LP
(the January Funds)**

AND

**SCOTIA WEALTH CREDIT ABSOLUTE RETURN POOL
(the March Fund)**

DECISION

Background

The principal regulator in the Jurisdiction has received an application from the Filer on behalf of the January Funds and the March Fund (collectively, the **Winter Funds**) for a decision under the securities legislation of the Jurisdiction (the **Legislation**) that the time limits for the renewal of the simplified prospectus and fund facts of the January Funds dated January 19, 2024 (the **January Prospectus**) and the simplified prospectus and fund facts of the March Fund dated March 28, 2024 (the **March Prospectus** and, together with the **January Prospectus**, the **Winter Prospectuses**) be extended to those time limits that would apply if the lapse date of each Winter Prospectus was May 31, 2025 (the **Exemption Sought**).

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

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

(b) the Filer has provided notice that subsection 4.7(1) of Multilateral Instrument 11-102 – *Passport System* (**MI 11-102**) is intended to be relied upon in each of the other provinces and territories of Canada (together with the Jurisdiction, the **Canadian Jurisdictions**).

Interpretation

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

Representations

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

The Filer and the Funds

1. The Filer is an Ontario limited partnership, which is wholly-owned by the Bank of Nova Scotia (**BNS**). The general partner of the Filer is 1832 Asset Management G.P. Inc., an Ontario corporation wholly-owned by BNS with its head office located in Toronto, Ontario.

2. The Filer is registered as (i) a portfolio manager in all of the provinces of Canada and in the Northwest Territories and the Yukon; (ii) an exempt market dealer in all of the provinces of Canada (except Prince Edward Island and Saskatchewan); (iii) an investment fund manager in Ontario, Québec, Newfoundland and Labrador and the Northwest Territories; and (iv) a commodity trading manager in Ontario.

3. The Filer is the investment fund manager of the Winter Funds.

4. Neither the Filer nor any Winter Fund is in default of securities legislation in any of the Canadian Jurisdictions.

5. Each Winter Fund is a mutual fund for the purposes of National Instrument 81-102 *Investment Funds* established as either a trust under or a limited partnership under the laws of the Jurisdiction.

6. Each Winter Fund is a reporting issuer as defined in the securities legislation of one or more of the Canadian Jurisdictions.

7. Securities of each Winter Fund are currently distributed in one or more of the Canadian Jurisdictions pursuant to the applicable Winter Prospectus.

8. Pursuant to subsection 62(1) of the *Securities Act* (Ontario) (the **Act**), the lapse date of the January Prospectus is January 19, 2025 (the **January Lapse Date**) and the lapse date of the March Prospectus is March 28, 2025 (the **March Lapse Date** and, together with the **January Lapse Date**, the **Current Lapse Dates**). Accordingly, pursuant to subsection 62(2) of the Act, the distribution of securities of each Winter Fund would have to cease on the applicable Current Lapse Date unless each Winter Fund: (i) files a pro forma prospectus at least 30 days prior to the applicable Current Lapse Date; (ii) files a final prospectus no later than 10 days after the applicable Current Lapse Date; and (iii) obtains a receipt for the final prospectus within 20 days of the applicable Current Lapse Date.

9. The Filer is the investment fund manager of 115 other mutual funds (the **May Funds**) that currently distribute their securities under a simplified prospectus and fund facts with a lapse date of May 31, 2025 (the **May Prospectus**).

Reasons for the Lapse Date Extension

10. The Filer wishes to combine each Winter Prospectus with the May Prospectus to reduce renewal, printing and related costs.

11. Offering the Winter Funds and the May Funds (collectively, the **Funds**) under one prospectus would facilitate the distribution of the Funds in the Canadian Jurisdictions and enable the Filer to streamline disclosure across the Filer's fund platform. The Funds share many common operational and administrative features and combining them under one prospectus (as opposed to three) will allow investors to compare their features more easily.

12. It would be impractical to alter and modify all the dedicated systems, procedures and resources required to prepare the May Prospectus and unreasonable to incur the costs and expenses associated therewith, so that the May Prospectus and the March Prospectus can be filed earlier with the January Prospectus.

13. If the Exemption Sought is not granted, it will be necessary to file each Winter Prospectus twice

within a short period of time to consolidate each Winter Prospectus with the May Prospectus.

14. The Filer may make minor changes to the features of the May Funds as part of its renewal. The ability to file each Winter Prospectus with the May Prospectus will ensure that the Filer can make the operational and administrative features of the respective Funds consistent with each other, if necessary.

15. There have been no material changes in the affairs of the Winter Funds since the date of the applicable Winter Prospectus. Accordingly, the current prospectus and fund facts represent the current information of the Winter Funds.

16. Given the disclosure obligations of the Winter Funds, should a material change in the affairs of a Winter Fund occur, the applicable Winter Prospectus will be amended as required under the Legislation.

17. New investors of the Winter Funds will receive delivery of the most recently filed fund facts of the applicable Winter Fund. Each Winter Prospectus will still be available upon request.

18. The Exemption Sought will not affect the accuracy of the information contained in each Winter Prospectus and therefore will not be prejudicial to the public interest.

Decision

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

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

"Darren McKall"
Manager, Investment Management Division
Ontario Securities Commission

Application File #: 2024/0692
SEDAR+ File #: 6216159

B.3.7 GLMX Technologies, LLC

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Application to revoke and replace decision granting a U.S. broker-dealer and operator of a marketplace relief from all provisions of NI 21-101, NI 23-101 and NI 23-103 – Decision granted to continue the original relief and provide additional relief from the dealer registration and prospectus requirements to permit trading in additional products including Canadian equity and corporate debt securities as collateral for securities financing transactions subject to 10% annual ceiling.

Applicable Legislative Provisions

Securities Act (Ontario), R.S.O. 1990, c. S.5, ss. 25(1), 53(1) and 74.
National Instrument 21-101 Marketplace Operation, s. 15.1(1).
National Instrument 23-101 Trading Rules, s. 12.1(1).
National Instrument 23-103 Electronic Trading and Direct Electronic Access to Marketplaces, s. 10(1).

December 16, 2024

**IN THE MATTER OF
THE SECURITIES LEGISLATION OF
ALBERTA,
BRITISH COLUMBIA,
NOVA SCOTIA,
ONTARIO
AND
QUEBEC
(Jurisdictions)**

AND

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

AND

**IN THE MATTER OF
GLMX TECHNOLOGIES, LLC
(Filer)**

DECISION

Background

1. The securities regulatory authority or regulator in each of the Jurisdictions (**Decision Makers**) has received an application (**Application**) from the Filer for a decision under the securities legislation of the Jurisdictions (**Legislation**) to revoke and replace the 2021 Decision (as defined below) to continue the Original Exemptive Relief and grant the Additional Exemptive Relief (each as defined below, and together, **Exemptive Relief**).

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

   (a) the Ontario Securities Commission (**Commission**) is the principal regulator for the Application,

   (b) the Filer has provided notice that section 4.7(1) of Multilateral Instrument 11-102 *Passport System* (**MI 11-102**) is intended to be relied upon in Alberta, British Columbia, Nova Scotia and Quebec, and

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

3. The Commission issued a decision dated October 6, 2021 (**2021 Decision**) exempting the Filer:

   (a) pursuant to subsection 15.1 of National Instrument 21-101 *Marketplace Operation* (**NI 21-101**) from NI 21-101 in whole;

   (b) pursuant to subsection 12.1 of National Instrument 23-101 *Trading Rules* (**NI 23-101**) from NI 23-101 in whole; and

(c) pursuant to subsection 10(1) of National Instrument 23-103 *Electronic Trading and Direct Electronic Access to Marketplaces* (**NI 23-103**) from NI 23-103 in whole

(the relief mentioned in paragraphs (a) to (c) being collectively referred to herein as **Original Exemptive Relief**, which is a coordinated review).

4. The Filer's trading platform will continue to facilitate securities financing transactions such as repurchase and reverse purchase transactions, securities lending arrangements, sale/buy back agreements and margin lending (collectively, **SFTs**) between institutional counterparties that have pre-existing contractual relationships with each other but the types of collateral eligible to be posted in connection with SFTs will be extended to include debt and equity securities issued by Canadian non-government issuers formed under Canadian federal or provincial laws (**Canadian Non-Government Securities**; such Canadian Non-Government Securities together with Canadian Government Securities, as defined below, being referred to collectively herein as **Canadian Securities**).

5. Additional approved products have been authorized in the United States by the Financial Industry Regulatory Authority, Inc. (**FINRA**) and consist of enabling the negotiation of purchases and sales by Subscribers on the Filer's trading platform of commercial paper, money market mutual funds, US Treasuries, US agencies, foreign sovereign debt, sub-sovereign debt, and supranational debt, tender option bonds, and total return swaps (**TRSs**) (collectively, **Approved Products**) and, in addition to such products, the Filer will also authorize the offering on its platform of time deposits and certificates of deposit, which are not regulated by FINRA and are not subject in the United States to direct regulation under securities law.

6. In addition to the Original Exemptive Relief under the 2021 Decision, exemptive relief is needed to allow:

- the Filer to make the Approved Products available on the Filer's trading platform;
- Canadian Securities including Canadian Non-Government Securities to be posted as collateral for SFTs; and
- the Filer to trade Canadian Securities including Canadian Non-Government Securities without dealer registration or prospectus obligations

and as such, the Filer is seeking an exemption pursuant to section 74 of the *Securities Act* (Ontario) (**Act**) in respect of:

(a) registration obligations in relation to trades of Canadian Securities including Canadian Non-Government Securities posted as collateral in connection with the SFTs and to trade securities and derivatives in connection with the Approved Products made available on the Filer's platform, provided such trades are conducted in accordance with securities laws and do not include trade executions by the Filer; and

(b) prospectus filing and registration obligations in relation to distributions of time deposits by entities other than banks formed under the *Bank Act* (Canada) which time deposits constitute securities for the purposes of the Act

(the relief mentioned in paragraphs (a) to (b) being collectively referred to herein as **Additional Exemptive Relief**, which is a passport review).

7. In Alberta, British Columbia, Nova Scotia and Quebec, additional exemptions have been or will be granted to accommodate TRSs and to exempt the Filer from needing to be recognized as an exchange.

<u>Interpretation</u>

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

<u>Representations</u>

This decision is based on the following facts represented by the Filer which is sometimes referred to herein as "GLMX":

1. The Filer is a private limited liability company incorporated under the laws of Delaware whose registered and head office is at 330 Seventh Avenue, Floor 17, New York, New York, United States of America.

2. The Filer is a direct wholly owned subsidiary of Global Liquid Markets, LLC (**GLM**). GLM is a holding company for various GLMX entities. GLM has three subsidiaries: GLMX, LLC, the Filer and GLMX Europe Limited. GLMX, LLC licenses an electronic trading platform (**Platform**) to GLMX and GLMX operates and maintains it. The Platform facilitates the negotiation of SFTs between institutional counterparties that have pre-existing contractual relationships with each other.

3. The Filer was formed in June 2017. It is registered as an alternative trading system (**ATS**) and a broker-dealer registered with the Securities and Exchange Commission (**SEC**) pursuant to section 15 of the Securities Exchange Act of 1934, as

amended (**Exchange Act**). The Filer is also a member of FINRA and the Securities Investor Protection Corporation. The Filer operates one ATS that is registered with the SEC.

4. The Filer is subject to a comprehensive regulatory regime in the US. The Filer operates as an ATS and a broker-dealer registered with the SEC. The Filer is regulated by the SEC and FINRA as a broker-dealer and an ATS. The SEC and FINRA fulfil their regulatory responsibilities within the framework established by the Exchange Act and FINRA member rules.

5. SFTs are transactions where securities are used to borrow cash, or vice versa. The principal participants in these markets are broker-dealers acting as intermediaries and their diverse institutional clients. In these transactions, securities are exchanged for collateral which can be in the form of cash or different securities. Transactions are driven by a need to lend/borrow specific securities or to lend/borrow cash.

6. Cash lenders use SFTs as a way to securely invest cash. Typical cash lenders include money market funds, central banks, bank investment portfolio and others. Securities lenders enter into SFTs to finance their securities positions or obtain leverage. Typical cash borrowers/securities lenders are hedge funds, mortgage REITs, pension funds, asset managers, insurance companies and sovereign wealth funds.

7. The securities exchanged in SFTs negotiated on the Platform pursuant to the 2021 Decision are as follows: major sovereign debt including US Treasuries, UK Government Debts, Euro Government Debt, Japan, Singapore, Australia and New Zealand, debt issued by agency; sub-sovereign and supranational institutions including U.S. agency debentures (FNMA, Freddie, FHLC), provincials, International Finance Corporation (IFC), World Bank, Länder, US Municipal Debt; Mortgage-Backed Securities including Agency Mortgage-Backed Securities Pools, Agency Collateralized Mortgage Obligations (CMOs), CMO Private Label (Investment-Grade And Non-Investment-Grade), Crown; non-Canadian issued corporate debt including Investment Grade, Non-investment grade, asset-backed securities; and re-securitizations including consumer (credit cards, auto loans), collateralized debt obligations, collateralized loan obligations, covered bonds; loans including bank loans, whole loans; money market instruments including term deposits, certificates of deposit, commercial paper; and non-Canadian issued equities including common, preferred, convertible and ETF. Under the Additional Exemptive Relief, the types of collateral eligible to be posted in connection with SFTs will be extended to include Canadian Securities including Canadian Non-Government Securities.

8. The Approved Products to be eligible for trading on the Filer's Platform pursuant to the Additional Exemptive Relief have been authorized in the United States by FINRA and consist of trading in commercial paper, money market mutual funds, US Treasuries, US agencies, foreign sovereign debt, sub-sovereign debt, supranational debt, tender option bonds and TRSs and, in addition to such products the Filer will also authorize the offering on its Platform of time deposits and certificates of deposit which are not regulated by FINRA and are not subject in the United States to direct regulation under securities law; in connection with TRS transactions negotiated through the Platform , the Filer has applied for registration as a Securities Based Swap Execution Facility (**SBSEF**) with the SEC and, pending such SBSEF registration, remains subject to FINRA regulation and broker-dealer regulation by the SEC and is entitled to rely on temporary exemptions from SBSEF registration.

9. Where a bank offering time deposits is not a bank regulated under the *Bank Act* (Canada) the bank will be chartered as a national bank under the *United States National Bank Act* (**National Bank Act**).

10. As a bank under the National Bank Act, the bank (**US Bank**) will be subject to regulation examination and supervision by its chartering agency, the United States Office of the Controller of Currency (**OCC**). The US Bank will also be a member of the US Federal Reserve System and subject to the regulatory oversight of the United States Federal Reserve Board (**FRB**). With respect to US federal consumer financial laws, the US Bank will be subject to the United States Consumer Financial Protection Bureau (**CFPB**).

11. Each of the OCC, FRB and CFPB is a regulatory authority created under the federal laws of the United States.

12. The US Bank will be subject to continual ongoing bank supervision and examination by the OCC which is the primary federal regulator of the US bank. The OCC has been granted extensive discretionary authority to assist it with the fulfillment of its supervisory and enforcement obligations and it exercises such authority for the purposes of conducting periodic examinations of the US Bank with respect to various regulatory requirements including minimum capital requirements and with respect to policies respecting the classification of assets and the establishment of loan laws reserves for regulatory purposes.

13. The FRB has authority to examine the US Bank and to monitor compliance with federal laws that the FRB has specific jurisdiction to enforce against US Banks.

14. With respect to compliance with US federal consumer financial laws, the CFPB has exclusive supervisory authority including examination authority and primary enforcement authority over the US Bank.

15. Each of the time deposit products offered by the US Bank is insured by the US Federal Deposit Insurance Corporation (**FDIC**) up to the applicable coverage limits under the FDIC rules, regardless of the residence or citizenship of the holder of a product.

16. The details of the FDIC insurance coverage in respect of any time deposit product offered by the US Bank that is selected by a Canada-based customer shall be disclosed to such customer before a time deposit is created.

17. If the accuracy of the foregoing representations changes, an updated and accurate representation letter will be provided to the Canada-based customer and trading in the products shall cease until GLMX confirms in writing to the US Bank that the updated letter is satisfactory and authorizes the resumption of trading in such products.

18. GLMX currently offers and intends in the future to offer SFTs on its Platform using debt instruments denominated in Canadian dollars and issued domestically by the Government of Canada or provincial governments or municipalities (**Canadian Government Securities**), as an incidental part of its business which will constitute less than 10% measured by total GLMX volume for the last 12 months. Under the Additional Exemptive Relief, the types of collateral eligible to be posted in connection with SFTs will be extended to include Canadian Securities (including Canadian Non-Government Securities) which will also be subject to the 10% ceiling.

19. The Filer does not have any offices or maintain other physical installations in Alberta, British Columbia, Nova Scotia, Ontario, Québec or any other Canadian province or territory.

20. Prior to getting access to the Platform, a subscriber (customer) must sign an agreement (**Subscription Online Services Agreement**) with GLMX that covers, among other things, obligations of the subscriber, and termination events.

21. The subscriber identifies to GLMX by name each employee or contractor of the subscriber that is authorized to use the Platform. These “named users” are the only individuals within the subscriber licensed to access and use the service (**Online Service**).

22. GLMX will provide the subscriber with access to the Online Service through a web based interface that can only be accessed when GLMX white-lists the subscriber’s IP addresses. GLMX will provide each named user a unique username and password to enable such named user to access the Online Service.

23. Once a trade is mutually agreed and completed by the counterparties, the GLMX Platform will send trade details to the parties of the transaction via a pre-approved method (e.g. email). Subscribers, independently and in advance, notify GLMX that they are properly documented with and able to trade with specific counterparties prior to engaging in transactions with that counterparty. GLMX is not a party to the SFT transaction and is not involved in the direct execution or clearing and settlement.

24. GLMX proposes to offer direct access to its Platform to prospective subscribers in the Jurisdictions (**Canadian Subscribers**) to facilitate trades. Access to the Platform will be limited to Canadian Subscribers who meet GLMX’s eligibility criteria. Subscribers generally fall into the following categories: large multi-national bank; insurance company; US registered investment company; derivatives dealer; and/or any other person (whether a corporation, partnership, trust or otherwise) with total assets of at least US$50 million which can include pension funds and hedge funds.

25. Before being provided direct access to the Platform, GLMX will confirm that each Canadian Subscriber is a non-individual “permitted client” as that term is defined in National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations* (**NI 31-103**). Retail customers will not be provided with access to the Platform.

26. Once a Canadian Subscriber demonstrates that it satisfies the eligibility criteria, the Canadian Subscriber must execute a Subscription Online Services Agreement in which the prospective Canadian Subscriber agrees to use the Online Service and the related user documentation only in the ordinary course of its own business for its own internal use and be and remain at all times a non-individual “permitted client” as defined in NI 31-103.

27. Under the Subscription Online Services Agreement, a Canadian Subscriber and its affiliates constitute a “**Subscriber Group**” and the Subscriber Group will authorize named users who are the only persons authorized to use the Online Service. The Subscriber Group’s right to use the Online Service is conditioned upon Subscriber Group obtaining and maintaining all government, legal and regulatory approvals, consents, authorizations, registrations, permits and licenses required for the conduct of its activities and its use of the Online Service and using the Online Service only in compliance with applicable law.

28. GLMX has determined that it may be subject to dealer registration under applicable Canadian securities legislation and so it proposes to rely on the “international dealer exemption” under section 8.18 of NI 31-103 in the Jurisdictions and, subject to observing the revenue/volume ceiling just mentioned, on the specified debt exemption under section 8.21 of NI 31-103. Under the Additional Exemptive Relief, GLMX will be allowed, notwithstanding the fact that section 8.18 applies to “foreign securities” only as therein defined, to accept Canadian Securities as additional categories of collateral

in connection with SFTs or trade Canadian Securities, provided such trades are conducted in accordance with securities laws and do not include trade executions by the Filer.

29. The Filer will ensure that all applicants who become Canadian Subscribers satisfy the Filer's eligibility criteria, including, among other things, that each Canadian Subscriber is a non-individual "permitted client" as that term is defined in NI 31-103.

30. In British Columbia, Alberta and Nova Scotia, the Filer will not offer TRSs on the Filer's trading platform in that Jurisdiction until an additional exemption has been granted in that Jurisdiction to accommodate TRSs and to exempt the Filer from the requirement to be recognized as an exchange in relation to derivatives.

31. The Filer is not in default of securities legislation in any Jurisdiction.

Decision

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

The decision of the Decision Makers under the Legislation is that the 2021 Decision is revoked and the Exemptive Relief is granted provided that:

(a) In the case of the registration requirement that may otherwise be applicable to the Filer in connection with the trading of Canadian Securities including Canadian Non-Government Securities and time deposits, the Filer

(i) does not execute trades in Canadian Securities including Canadian Non-Government Securities with or for its clients, except where such execution is incidental to an SFT or except as otherwise permitted under applicable securities laws, and

(ii) complies with the conditions of the international dealer exemption in s. 8.18 of NI-31-103 as if such securities were "foreign securities" as defined in s. 8.18 of NI 31-103 or complies with s. 8.21 of NI 31-103;

(b) the Filer complies with the terms and conditions attached hereto as Schedule A;

(c) with respect to TRSs, the Additional Exemptive Relief will be in effect while the Filer is registered with the SEC as a SBSEF or exempt from registration thereunder; and

(d) once the Filer is registered with the SEC as a SBSEF, the Filer will not continue to offer TRSs to Canadian Subscribers in Ontario unless the Filer

(i) submits, within 90 days of registering with the SEC as a SBSEF or by such later date as the Director may permit, an application for exemptive relief from the exchange recognition requirement under s. 21(1) of the Act (**Ontario Exchange Relief**), and

(ii) obtains, within 1 year of registering with the SEC as a SBSEF or by such later date as the Director may permit, an order granting the Ontario Exchange Relief.

"Michelle Alexander"
Manager, Trading and Markets Division
Ontario Securities Commission

OSC File #: 2023/0307

SCHEDULE A

Regulation and Oversight of the Marketplace

1. The Filer will continue to be subject to the regulatory oversight of the regulator in its home jurisdiction;

2. The Filer will either be registered in an appropriate category or rely on an exemption from registration under Canadian securities laws as such exemption may be modified by the Additional Exemptive Relief;

3. In connection with any offering of the GLMX trading Platform of time deposits by an entity not formed under the *Bank Act* (Canada) the taker of such time deposit will deliver to GLMX before the time deposit is offered, an executed representation letter in the form of Appendix A and shall remain in compliance with its terms while the time deposit is accessible on such trading platform;

4. The Filer will promptly notify the Decision Makers if its status in its home jurisdiction has been revoked, suspended, or amended, or the basis on which its status has significantly changed;

Access

5. The Filer will not provide direct access to a Canadian Subscriber unless the Canadian Subscriber is a non-individual "permitted client" as that term is defined in NI 31-103;

6. The Filer will require Canadian Subscribers to provide prompt notification to the Filer if they no longer qualify as non-individual "permitted clients" as that term is defined in NI 31-103;

7. The Filer must make available to Canadian Subscribers appropriate training for each person who has access to trade on the Platform;

Trading by Canadian Subscribers

8. The Filer will only offer SFTs to Canadian Subscribers or offer trading in accordance with representations 7, 8 and 18 of this Decision;

9. Trades on the Platform by Canadian Subscribers will be cleared and settled through clearing arrangements used outside the Platform by subscribers;

10. The Filer will only permit Canadian Subscribers to trade those securities which are permitted to be traded in the United States under applicable securities laws and regulations or to which those laws and regulations do not apply;

Reporting

11. The Filer will promptly notify staff of the Decision Makers of any of the following:

    (a) any material change to its business or operations or the information provided in the Application, including, but not limited to:

        i. changes to its regulatory oversight;

        ii. the access model, including eligibility criteria, for Canadian Subscribers;

        iii. systems and technology; and

        iv. its clearing and settlement arrangements;

    (b) any material change in its regulations or the laws, rules, and regulations in the home jurisdiction relevant to the products traded;

    (c) any known investigations of, or regulatory action against, the Filer by the regulator in the home jurisdiction or any other regulatory authority to which it is subject;

    (d) any matter known to the Filer that may affect its financial or operational viability, including, but not limited to, any significant system failure or interruption; and

    (e) any default, insolvency, or bankruptcy of any subscriber known to the Filer or its representatives that may have a material, adverse impact upon the Platform, the Filer or any Canadian Subscriber;

12. The Filer will maintain the following updated information and submit such information in a manner and form acceptable to staff of the Decision Makers on a semi-annual basis (within 30 days of the end of each six-month period), and at any time promptly upon the request of staff of the Decision Makers:

    (a) a current list of all Canadian Subscribers on a per provincial basis, specifically identifying for each Canadian Subscriber the basis upon which it represented to the Filer that it could be provided with direct access;

    (b) a list of all Canadian applicants for status as a Canadian Subscriber on a per provincial basis who were denied such status or access or who had such status or access revoked during the period;

        i. for those Canadian applicants for status as a Canadian Subscriber that were denied access, an explanation as to why access was denied;

        ii. for those Canadian Subscribers who had their status revoked, an explanation as to why their status was revoked;

    (c) for each product:

        i. the total trading volume and value originating from Canadian Subscribers, presented on a per provincial Canadian Subscriber basis;

        ii. the proportion of worldwide trading volume and value on the Platform conducted by Canadian Subscribers, presented in the aggregate per province for such Canadian Subscribers; and

        iii. the trading volume and value of Canadian Securities and proportion of trading volume in Canadian Securities relative to the total volume traded on GLMX for the six-month period, calculated in a manner acceptable to the Decision Makers;

    (d) a list of any system outages that occurred for any system impacting Canadian Subscribers' trading activity on the Platform which were reported to the regulator in the home jurisdiction;

Disclosure

13. The Filer will provide to its Canadian Subscribers disclosure that states that:

    (a) rights and remedies against it may only be governed by the laws of the home jurisdiction, rather than the laws of Canada, and may be required to be pursued in the home jurisdiction rather than in Canada;

    (b) the rules applicable to trading on the Platform may be governed by the laws of the home jurisdiction, rather than the laws of Canada; and

    (c) the Filer is regulated by the regulator in the home jurisdiction, rather than the Decision Makers;

Submission to Jurisdiction and Agent for Service

14. With respect to a proceeding brought by the Decision Makers, staff of the Decision Makers or another applicable securities regulatory authority in Canada arising out of, related to, concerning or in any other manner connected with such regulatory authority's regulation and oversight of the activities of the Filer in Canada, the Filer will submit to the non-exclusive jurisdiction of (i) the courts and administrative tribunals of Canada, and (ii) an administrative proceeding in Canada;

15. The Filer will file with the Decision Makers a valid and binding appointment of McCarthy Tétrault LLP, or any subsequent agent, as the agent for service in Canada upon which the Decision Makers or other applicable regulatory authority in Canada may serve a notice, pleading, subpoena, summons, or other process in any action, investigation, or administrative, criminal, quasi-criminal, penal, or other proceeding arising out of or relating to or concerning the regulation and oversight of the Platform or the Filer's activities in Canada;

Information Sharing

16. The Filer must, and must cause its affiliated entities, if any, to promptly provide to the Decision Maker, on request, any and all data, information, and analyses in the custody or control of the Filer or any of its affiliated entities, without limitations, redactions, restrictions or conditions, including, without limiting the generality of the foregoing:

    (a) data, information, and analyses relating to all of its or their businesses; and

    (b) data, information, and analyses of third parties in its or their custody or control; and

17. The Filer must share information and otherwise cooperate with other recognized or exempt exchanges, recognized self-regulatory organizations, investor protection funds and other appropriate legal and regulatory bodies.

APPENDIX A

US BANK REPRESENTATION LETTER

To: GLMX Technologies LLC (“**GLMX**”) and its Canada-based Customers (as herein defined):

In consideration of GLMX agreeing to allow its institutional subscribers with Canadian addresses (“**Canada-based Customers**”) to access our US time deposit products (“**Products**”) listed on the attached schedule on its trading platform, the undersigned (“**Undersigned**”) represents as follows:

1. The Undersigned acknowledges that the Products may be regulated as securities in Canada.

2. The Undersigned is not a bank for the purposes of the Bank Act (Canada).

3. The Undersigned is chartered as a national bank under the United States *National Bank Act* (the “**National Bank Act**”).

4. As a bank under the National Bank Act, the Undersigned is subject to regulation, examination and supervision by its chartering agency, the United States Office of the Controller of Currency (the “**OCC**”). The Undersigned is also a member of the US Federal Reserve System and subject to the regulatory oversight of the United States Federal Reserve Board (the “**FRB**”). With respect to US federal consumer financial laws, the Undersigned is subject to the United States Consumer Financial Protection Bureau (“**CFPB**”).

5. The Undersigned represents that each of the OCC, FRB and CFPB is a regulatory authority created under the federal laws of the United States.

6. The Undersigned is subject to continual ongoing bank supervision and examination by the OCC which is the primary federal regulator of the Undersigned. The OCC has been granted extensive discretionary authority to assist it with the fulfillment of its supervisory and enforcement obligations and it exercises such authority for the purposes of conducting periodic examinations of the Undersigned with respect to various regulatory requirements including minimum capital requirements and with respect to policies respecting the classification of assets and the establishment of loan laws reserves for regulatory purposes.

7. The FRB has authority to examine the Undersigned and to monitor compliance with federal laws that the FRB has specific jurisdiction to enforce against US national banks.

8. With respect to compliance with US federal consumer financial laws, the CFPB has exclusive supervisory authority including examination authority and primary enforcement authority over the Undersigned.

9. Each of the Products is insured by the US Federal Deposit Insurance Corporation (“**FDIC**”) up to the applicable coverage limits under the FDIC rules, regardless of the residence or citizenship of the holder of a Product;

10. the details of the FDIC insurance coverage in respect of any Product selected by a Canada-based Customer shall be disclosed to such customer before a time deposit is created;

11. If the accuracy of the foregoing representations changes, an updated and accurate representation letter will be provided to you by the Undersigned and trading in the Products shall cease until GLMX confirms in writing to the Undersigned that the updated letter is satisfactory and authorizes the resumption of trading in such Products.

DATED as this __ day of _________, 20____.

[NAME OF US BANK]

[Add schedule listing Products]

B.3.8 National Bank Investments Inc.

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Relief granted to facilitate the offering of exchange-traded fund securities and conventional mutual fund securities under the same form of prospectus – Relief granted from the requirement in National Instrument 41-101 to file a long form prospectus for exchange-traded fund securities provided that a simplified prospectus is prepared and filed in accordance with National Instrument 81-101 and the filer includes disclosure required pursuant to Form 41-101F2 that is not contemplated by Form 81-101F1 in respect of the exchange-traded fund securities – Filer will file ETF Facts in the form prescribed by Form 41-101F4 in respect of exchange-traded fund securities of a fund and will file a Fund Facts document in the form prescribed by Form 81-101F3 in respect of conventional mutual fund securities of a fund – Technical relief granted from Parts 9, 10 and 14 of National Instrument 81-102 to permit each fund to treat its exchange-traded fund securities and conventional mutual fund securities as separate mutual funds for the purpose of compliance with Parts 9, 10 and 14 of National Instrument 81-102.

Applicable Legislative Provisions

National Instrument 41-101 General Prospectus Requirements, ss. 3.1(2) and 19.1.
National Instrument81-102 Investment Funds, Parts 9, 10 and 14 and s. 19.1.

October 31, 2024

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

AND

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

AND

IN THE MATTER OF
NATIONAL BANK INVESTMENTS INC.
(the "Filer")

DECISION

Background

The securities regulatory authority or regulator in each of the Jurisdictions (each a "Decision Maker") has received an application (the "Application") from the Filer on behalf of each of the Existing Funds (as defined below) and such other mutual funds as are managed or may be managed by the Filer now or in the future that offer ETF Securities (as defined below) either alone or along with Mutual Fund Securities (as defined below) (collectively, the Future Funds and together with the Existing Funds, the Funds, and each, a Fund), for a decision under the securities legislation of the Jurisdictions (the "Legislation") granting exemptive relief that:

a) exempts the Filer and each Fund from the requirement in subsection 3.1(2) of *Regulation 41-101 General Prospectus Requirements* (c. V-1.1, r. 14) ("Regulation 41-101") to prepare and file a long form prospectus for the ETF Securities in the form prescribed by Form 41-101F2 Information Required in an Investment Fund Prospectus ("Form 41-101F2") provided that the Filer files (i) a prospectus for the ETF Securities in accordance with the provisions of *Regulation 81-101 Mutual Fund Prospectus Disclosure* (c. V-1.1, r. 38) ("Regulation 81-10"), other than the requirements pertaining to the filing of a fund facts document; and (ii) an ETF facts document in accordance with Part 3B of Regulation 41-101 (the "ETF Prospectus Form Relief"); and

b) permits the Filer and each Fund that offers both ETF Securities and Mutual Fund Securities to treat the ETF Securities and the Mutual Fund Securities as if such securities were separate funds in connection with their compliance with the provisions (the "Sales and Redemptions Requirements") of Parts 9, 10 and 14 of *Regulation 81-102 Investment Funds* (c. V-1.1, r. 39) ("Regulation 81-102") (the "Sales and Redemptions Relief", collectively, with the ETF Prospectus Form Relief, the "Exemption Sought").

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

(a) the Autorité des marchés financiers is the principal regulator for the Application;

(b) the Filer has provided notice that subsection 4.7(1) of *Regulation 11-102 respecting Passport System* (c. V-1.1, r. 1) ("Regulation 11-102") is intended to be relied upon in each jurisidction of Canada other than the Jurisdictions; and

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

Interpretation

Terms defined in *Regulation 14-101 respecting Definitions* (c. V-1.1, r. 3), Regulation 81-102 and Regulation 11-102 have the same meaning if used in this decision unless otherwise defined herein, and capitalized terms used herein have the meaning ascribed thereto below.

Basket of Securities means, in relation to the ETF Securities of a Fund, a group of some or all of the constituent securities of the Fund, a group of securities or assets representing the constituents of the Fund, or a group of securities selected by the portfolio manager or sub-advisor, as applicable, from time to time.

Dealer means a registered dealer, including National Bank Financial Inc., an affiliate of the Filer, that has entered, or intends to enter, into an agreement with the investment fund manager of a Fund authorizing the dealer to subscribe for, purchase and redeem Creation Units from one or more Funds on a continuous basis from time to time.

Designated Broker means National Bank Financial Inc., an affiliate of the Filer and a registered dealer that has entered, or intends to enter, into an agreement with the Filer or an affiliate of the Filer on behalf of a Fund to perform certain duties in relation to the ETF Securities of the Fund, including the posting of a liquid two-way market for the trading of the Fund's ETF Securities on the TSX or another Marketplace.

ETF Facts means an ETF facts document prepared, filed and delivered in accordance with Part 3B of Regulation 41-101.

ETF Securities means securities of an exchange-traded Fund or of an exchange-traded series of a Fund that are listed or will be listed on the TSX or another Marketplace and that will be distributed pursuant to a simplified prospectus prepared in accordance with Regulation 81-101 and Form 81-101F1.

Existing ETFs means the NBI Sustainable Canadian Short Term Bond ETF (NSSB), the NBI Sustainable Canadian Bond ETF (NSCB), the NBI Sustainable Canadian Corporate Bond ETF (NSCC), the NBI High Yield Bond ETF (NHYB), the NBI Unconstrained Fixed Income ETF (NUBF), the NBI Active Canadian Preferred Shares ETF (NPRF), the NBI Canadian Dividend Income ETF (NDIV), the NBI Canadian Family Business ETF (NFAM), the NBI Sustainable Canadian Equity ETF (NSCE), the NBI Active U.S. Equity ETF (NUSA), the NBI Active International Equity ETF (NINT), the NBI Global Real Assets Income ETF (NREA), the NBI Sustainable Global Equity ETF (NSGE) and the NBI Global Private Equity ETF (NGPE).

Existing Funds means the Existing ETFs, the Existing Mutual Funds and the Existing Target Mutual Funds.

Existing Mutual Funds means the NBI Money Market Fund, the NBI Floating Rate Income Fund, the NBI Bond Fund, the NBI Income Fund, the NBI Global Tactical Bond Fund, the NBI Unconstrained Fixed Income Fund, the NBI Corporate Bond Fund, the NBI High Yield Bond Fund, the NBI Preferred Equity Income Fund, the NBI Preferred Equity Fund, the NBI Jarislowsky Fraser Select Income Fund, the NBI Presumed Sound Investments Fund, the NBI Sustainable Canadian Bond Fund, the NBI Canadian Core Plus Bond Fund, the NBI Secure Portfolio, the NBI Conservative Portfolio, the NBI Moderate Portfolio, the NBI Balanced Portfolio, the NBI Growth Portfolio, the NBI Equity Portfolio, the NBI Sustainable Secure Portfolio, the NBI Sustainable Conservative Portfolio, the NBI Sustainable Moderate Portfolio, the NBI Sustainable Balanced Portfolio, the NBI Sustainable Growth Portfolio, the NBI Sustainable Equity Portfolio, the NBI Jarislowsky Fraser Select Balanced Fund, the NBI Tactical Asset Allocation Fund, the NBI Global Balanced Growth Fund, the NBI Canadian Equity Fund, the NBI *SmartBeta* Low Volatility Canadian Equity Fund, the NBI Canadian All Cap Equity Fund, the NBI Canadian Equity Growth Fund, the NBI Small Cap Fund, the NBI Quebec Growth Fund, the NBI Sustainable Canadian Equity Fund, the NBI *SmartBeta* Low Volatility Global Equity Fund, the NBI Global Equity Fund, the NBI Global Small Cap Fund, the NBI Active Global Equity Fund, the NBI Global Diversified Equity Fund, the NBI Global Real Assets Income Fund, the NBI *SmartData* U.S. Equity Fund, the NBI U.S. Equity Fund, the NBI *SmartData* International Equity Fund, the NBI Active International Equity Fund, the NBI Diversified Emerging Markets Equity Fund, the NBI Sustainable Global Equity Fund, the NBI International Equity Fund, the NBI Resource Fund, the NBI Precious Metals Fund, the NBI Innovators Fund, the NBI Canadian Bond Index Fund, the NBI Canadian Equity Index Fund, the NBI U.S. Equity Index Fund, the NBI International Equity Index Fund, the NBI Canadian Bond Private Portfolio, the NBI Canadian Fixed Income Private Portfolio, the NBI U.S. Bond Private Portfolio, the NBI Corporate Bond Private Portfolio, the NBI Non-Traditional Fixed Income Private Portfolio, the NBI Canadian Preferred Equity Private Portfolio, the NBI Multiple Asset Class Private Portfolio, the NBI Equity Income Private Portfolio, the NBI Canadian Equity Private Portfolio, the NBI Canadian High Conviction Equity Private Portfolio, the NBI Diversified Canadian Equity Private Portfolio the NBI North American Dividend Private Portfolio, the NBI U.S. Equity Private Portfolio, the NBI Diversified U.S. Equity Private Portfolio, the NBI U.S. High Conviction Equity Private Portfolio, the

NBI International High Conviction Equity Private Portfolio, the NBI Diversified International Equity Private Portfolio, the NBI Tactical Equity Private Portfolio, the NBI Non-Traditional Capital Appreciation Private Portfolio, the Meritage Canadian Equity Portfolio, the Meritage Global Equity Portfolio, the Meritage American Equity Portfolio, the Meritage International Equity Portfolio, the Meritage Conservative Portfolio, the Meritage Moderate Portfolio, the Meritage Balanced Portfolio, the Meritage Growth Portfolio, the Meritage Growth Plus Portfolio, the Meritage Diversified Fixed Income Portfolio, the Meritage Conservative Income Portfolio, the Meritage Moderate Income Portfolio, the Meritage Balanced Income Portfolio, the Meritage Growth Income Portfolio, the Meritage Growth Plus Income Portfolio, the Meritage Global Conservative Portfolio, the Meritage Global Moderate Portfolio, the Meritage Global Balanced Portfolio, the Meritage Global Growth Portfolio, the Meritage Global Growth Plus Portfolio, the Meritage Tactical ETF Moderate Portfolio, the Meritage Tactical ETF Balanced Portfolio, the Meritage Tactical ETF Growth Portfolio and the Meritage Tactical ETF Equity Portfolio.

Existing Target Mutual Funds means the NBI Target 2025 Investment Grade Bond Fund, the NBI Target 2026 Investment Grade Bond Fund, the NBI Target 2027 Investment Grade Bond Fund, the NBI Target 2028 Investment Grade Bond Fund, the NBI Target 2029 Investment Grade Bond Fund

Form 81-101F1 means *Form 81-101F1 Contents of Simplified Prospectus*.

Fund Facts means a prescribed summary disclosure document required pursuant to Regulation 81-101 in respect of one or more classes or series of Mutual Fund Securities being distributed under a prospectus.

Legislation means the securities legislation of each of the Jurisdictions, as applicable.

Marketplace means a “marketplace” as defined in *Regulation 21-101 Marketplace Operation* (c. V-1.1, r. 5) that is located in Canada.

Mutual Fund Securities means securities of a non-exchange-traded series of a Fund that are or will be distributed pursuant to a simplified prospectus prepared in accordance with Regulation 81-101 and Form 81-101F1.

Other Dealer means a registered dealer that is not a Dealer or Designated Broker.

Prescribed Number of ETF Securities means, in relation to a Fund, the number of ETF Securities of the Fund determined by the Filer from time to time for the purpose of subscription orders, exchanges, redemptions or for other purposes.

Prospectus Delivery Requirement means the requirement that a dealer, not acting as agent of the purchaser, who receives an order or subscription for a security offered in a distribution to which the prospectus requirement of the applicable securities legislation applies, send or deliver to the purchaser or its agent, unless the dealer has previously done so, the latest prospectus and any amendment either before entering into an agreement of purchase and sale resulting from the order or subscription, or not later than midnight on the second business day after entering into that agreement.

Securityholders means beneficial or registered holders of Mutual Fund Securities or ETF Securities of a Fund, as applicable.

TSX means the Toronto Stock Exchange.

Representations

This decision is based on the following facts represented by the Filer on behalf of itself and the Funds:

The Filer

1. The Filer is a corporation amalgamated under the laws of Canada with its head office in Montreal, Québec.

2. The Filer is registered as an investment fund manager in Québec, Ontario and Newfoundland and Labrador and as a mutual fund dealer in each of the Jurisdictions in addition to the other provinces and territories of Canada (collectively the “Applicable Jurisdictions”).

3. The Filer or an affiliate of the Filer is, or will be, the investment fund manager of the Funds and an affiliate of the Filer or a third-party portfolio manager is, or will be, the portfolio manager of the Funds. The portfolio manager of a Fund may also engage one or more sub-adviser(s) in respect of the investments of such Fund.

4. The Filer is not in default of applicable securities legislation in any of the Applicable Jurisdictions.

The Funds

5. Each Fund is, or will be, an investment fund organized and governed by the laws of an Applicable Jurisdiction or the laws of Canada.

6. Each Fund is, or will be, a reporting issuer in each jurisdiction of Canada in which its securities are distributed.

7. Subject to any exemptions therefrom that have been, or may be, granted by the applicable securities regulatory authorities, each Fund is, or will be, subject to Regulation 81-102 and Securityholders will have the right to vote at a meeting of Securityholders in respect of matters prescribed by Regulation 81-102.

8. The Existing ETFs are distributed pursuant to a long form prospectus dated May 10, 2024 in the form prescribed by Form 41-101F2 (the "Long Form Prospectus"). Existing ETF currently offers ETF Securities listed on the TSX.

9. The Existing Mutual Funds are distributed pursuant to a simplified prospectus dated May 9, 2024 in the form prescribed by Form 81-101F1 (the "Existing Mutual Funds Simplified Prospectus").

10. The Existing Target Mutual Funds are distributed pursuant to a simplified prospectus dated June 18, 2024 in the form prescribed by Form 81-101F1 (the "Existing Target Mutual Funds Simplified Prospectus", and collectively with the Existing Mutual Funds Simplified Prospectus, the "Simplified Prospectus").

11. It is expected that when the Simplified Prospectus is renewed in 2025, the Filer will file a pro forma and, as the case may be, preliminary simplified prospectus in the form prescribed by Form 81-101F1, in respect of the Existing Funds, pursuant to which it may offer ETF Securities of the Existing Funds. Fund Facts documents in the form prescribed by Form 81-101F3 Contents of Fund Facts Document ("Form 81-101F3") for each series of Mutual Fund Securities of the Existing Funds and ETF Facts documents in the form prescribed by Form 41-101F4 Information Required in an ETF Facts Document ("Form 41-101F4") for each series of ETF Securities of the Existing Funds will also be filed.

12. The Filer will apply to list any ETF Securities of each of the Funds that relies on the Exemption Sought on the TSX or another Marketplace. In the case of a Future Fund, the Filer will not file a final or amended simplified prospectus for any of the Funds in respect of the ETF Securities until the TSX or other applicable Marketplace has conditionally approved the listing of the ETF Securities.

13. The Existing Funds are not in default of securities legislation in any of the Jurisdictions.

The Exemption Sought

14. Mutual Fund Securities may be subscribed for or purchased directly from a Fund through appropriately registered dealers.

15. ETF Securities will be distributed on a continuous basis in one or more of the Jurisdictions under a simplified prospectus. ETF Securities may generally only be subscribed for or purchased directly from the Funds ("Creation Units") by Dealers or Designated Brokers. Generally, subscriptions or purchases may only be placed for a Prescribed Number of ETF Securities (or a multiple thereof) on any day when there is a trading session on the TSX or other Marketplace. Dealers or Designated Brokers subscribe for Creation Units for the purpose of facilitating investor purchases of ETF Securities on the TSX or another Marketplace.

16. In addition to subscribing for and reselling their Creation Units, Dealers and Designated Brokers will also generally be engaged in purchasing and selling ETF Securities of the same class or series as the Creation Units in the secondary market.

17. Except for Dealer and Designated Broker subscriptions for Creation Units, as described above, ETF Securities generally will not be able to be purchased directly from a Fund. Investors are generally expected to purchase and sell ETF Securities, directly or indirectly, through dealers executing trades through the facilities of the TSX or another Marketplace. ETF Securities may also be issued directly to Securityholders upon a reinvestment of distributions of income or capital gains.

18. Securityholders that are not Designated Brokers or Dealers that wish to dispose of their ETF Securities may generally do so by selling their ETF Securities on the TSX or other Marketplace, through a registered dealer, subject only to customary brokerage commissions. A Securityholder that holds a Prescribed Number of ETF Securities (or multiple thereof) may exchange such ETF Securities for Baskets of Securities and/or cash, securities other than Baskets of Securities and/or cash, or cash only, in the discretion of the Filer. Securityholders may also redeem ETF Securities for cash at a redemption price equal to 95% of the net asset value of the ETF Securities on the date of redemption.

ETF Prospectus Form Relief

19. The Filer believes it is more efficient and expedient to include all series of Mutual Fund Securities and ETF Securities in one prospectus form instead of two different prospectus forms and that this presentation will assist in providing full, true and plain disclosure of all material facts relating to the securities of the Funds by permitting disclosure relating to all series of securities to be included in one prospectus.

20. The Filer will file ETF Facts in the form prescribed by Form 41-101F4 in respect of each class or series of ETF Securities and will file Fund Facts in the form prescribed by Form 81-101F3 in respect of each class or series of Mutual Fund Securities.

21. The Filer will ensure that any additional disclosure included in the simplified prospectus of the Funds relating to the ETF Securities will not interfere with an investor's ability to differentiate between the Mutual Fund Securities and the ETF Securities and their respective attributes.

22. The Funds will comply with the provisions of Regulation 81-101 when filing any prospectus or amendment thereto.

23. The Funds will comply with Part 3B of Regulation 41-101 when preparing, filing and delivering ETF Facts for the ETF Securities of the Funds.

Sales and Redemption Relief

24. Parts 9, 10 and 14 of Regulation 81-102 do not contemplate both Mutual Fund Securities and ETF Securities being offered in a single fund structure. Accordingly, without the Sales and Redemption Relief, the Filer and each Fund that offers both ETF Securities and Mutual Fund Securities would not be able to technically comply with those parts of Regulation 81-102.

25. The Sales and Redemptions Relief will permit the Filer and each Fund that offers both ETF Securities and Mutual Fund Securities to treat the ETF Securities and the Mutual Fund Securities as if such securities were separate funds in connection with their compliance with Parts 9, 10 and 14 of Regulation 81-102. The Sales and Redemptions Relief will enable each of the ETF Securities and Mutual Fund Securities to comply with Parts 9, 10 and 14 of Regulation 81-102, as appropriate, for the type of security being offered.

Decision

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

The decision of the Decision Makers under the Legislation is that the Exemption Sought is granted provided that:

1. in respect of the ETF Prospectus Form Relief, the Filer complies with the following conditions:

    a) the Filer files a simplified prospectus in respect of the ETF Securities in accordance with the requirements of Regulation 81-101 and Form 81-101F1, other than the requirements pertaining to the filing of a fund facts document;

    b) the Filer includes disclosure required pursuant to Form 41-101F2 (that is not contemplated by Form 81-101F1) in respect of the ETF Securities in each Fund's simplified prospectus; and

    c) the Filer includes disclosure regarding this decision under the heading "Additional Information" and "Exemptions and Approvals" in each Fund's simplified prospectus; and

2. in respect of the Sales and Redemptions Relief, the Filer and each Fund comply with the following conditions:

    a) with respect to its Mutual Fund Securities, each Fund complies with the provisions of Parts 9, 10 and 14 of Regulation 81-102 that apply to mutual funds that are not exchange-traded mutual funds; and

    b) with respect to its ETF Securities, each Fund compiles with the provisions of Parts 9 and 10 of Regulation 81-102 that apply to exchange-traded mutual funds.

"Frédéric Belleau"
Directeur principal des produits d'investissement et de la finance durable
Autorité des marchés financiers

Application File #: 2024/0537
SEDAR+ File #: 6183610

B.3.9 Guardian Capital LP

Headnote

Pursuant to National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Relief from the know-your-client, trusted contact person and suitability determination requirements, and the requirements to deliver account statements and investment performance reports, granted to a portfolio manager in respect of investors in a model portfolio service offered through affiliated and unaffiliated mutual fund dealers and investment dealers – decision should not be viewed as precedent for other filers

Applicable Legislative Provisions

Multilateral Instrument 11-102 Passport System, s. 4.7(1).
National Instrument 31-103 Registration Requirements, Exemptions and Ongoing Registrant Obligations, ss. 13.2, 13.2.01, 13.3, 14.14, 14.14.1, 14.18 and 15.1(2).

October 15, 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
GUARDIAN CAPITAL LP
(the Filer)**

DECISION

Background

The principal regulator in the Jurisdiction has received an application from the Filer for a decision under the securities legislation of the Jurisdiction of the principal regulator (the **Legislation**) exempting the Filer from the following requirements with respect to clients invested in accordance with the Model Portfolios (as defined below):

(a) the requirements (the **Know Your Client Requirements**) in the Legislation that the Filer take reasonable steps to:

(i) establish the identity of a client and, if the Filer has cause for concern, make reasonable inquiries as to the reputation of the client;

(ii) establish whether the client is an insider of a reporting issuer or any other issuer whose securities are publicly traded;

(iii) ensure that the Filer has sufficient information regarding the client's investment needs and objectives, financial circumstances and risk profile, among other information, to enable the Filer to meet its suitability determination obligations under the Legislation (as described below); and

(iv) keep the information described above current

(collectively, the **Know Your Client Exemption**);

(b) the requirement (the **Trusted Contact Person Requirement**) in the Legislation that the Filer take reasonable steps to:

(i) obtain from the client the name and contact information of a trusted contact person, and the written consent of the client for the Filer to contact the trusted contact person to confirm or make inquiries about any of the following:

a. the Filer's concerns about possible financial exploitation of the client;

b. the Filer's concerns about the client's mental capacity as it relates to the ability of the client to make decisions involving financial matters;

c. the name and contact information of a legal representative of the client, if any;

d. the client's contact information; and

(ii) keep the information described above current

(collectively, the **Trusted Contact Person Exemption**);

(c) the requirement (**Suitability Determination Requirement**) in the Legislation that the Filer, before it opens an account for a client, purchases, sells, deposits, exchanges or transfers securities for a client's account, takes any other investment action for a client, makes a recommendation or exercises discretion to take any such action, determine, on a reasonable basis, that such action is suitable for the client and puts the client's interest first (the **Suitability Determination Exemption**); and

(d) the requirement (the **Statement Delivery Requirement**) in the Legislation that the Filer deliver account statements and investment performance reports to clients who have invested in accordance with the Model Portfolios

(the **Statement Delivery Exemption** and, together with the Know Your Client Exemption, Trusted Contact Person Exemption and Suitability Determination Exemption, the **Exemption Sought**).

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

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

(b) the Filer has provided notice that section 4.7(1) of Multilateral Instrument 11-102 *Passport System* (**MI 11-102**) is intended to be relied upon by the Filer in each of the other provinces of Canada (the **Other Jurisdictions**, and together with Ontario, the **Canadian Jurisdictions**) in respect of the Exemption Sought.

Interpretation

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

NI 31-103 means National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations*.

Representations

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

The Filer

1. The Filer is an Ontario limited partnership, which is wholly-owned by Guardian Capital Group Limited. The general partner of the Filer is Guardian Capital Inc., an Ontario corporation wholly-owned by Guardian Capital Group Limited, with its head office in Toronto, Ontario.

2. The Filer is registered as: (i) a portfolio manager in all of the provinces of Canada; (ii) an exempt market dealer in all of the provinces of Canada; (iii) an investment fund manager in Ontario, Québec and Newfoundland and Labrador; (iv) commodity trading counsel in Ontario; and (v) a commodity trading manager in Ontario.

3. The Filer is not in default of securities legislation in any Canadian Jurisdiction.

The Services

4. The Filer, in its role as portfolio manager, will create and manage model portfolios (the **Services**), comprising investment funds managed by the Filer, an affiliate of the Filer or third-party unaffiliated investment fund managers (collectively, the **Funds**).

5. Each Fund will be an open-ended mutual fund, including an exchange-traded fund (**ETF**), established under the laws of Ontario or another Canadian Jurisdiction.

6. The securities of each Fund that is an ETF will be listed and traded on a recognized exchange.

7. Each Fund will be a reporting issuer in one or more of the Canadian Jurisdictions and will be subject to the provisions of National Instrument 81-102 *Investment Funds*.

8. Pursuant to a written agreement (the **Services Agreement**) between the Filer and the applicable dealer, the Filer will provide the Services to be made available to clients of investment dealers and mutual fund dealers (the **Dealers**) that participate in the Dealers' model portfolio programs (each, a **Program**). Each Dealer will be: (a) registered in the applicable Canadian Jurisdictions as a dealer in the category of mutual fund dealer, and a member of the Canadian Investment Regulatory Organization (**CIRO**); or (b) registered in the applicable Canadian Jurisdictions as a dealer in the category of investment dealer, and a member of CIRO. The Dealers will include dealers that are affiliated with the Filer.

9. The Programs will allow Dealers to recommend to clients model portfolios of Funds (each, a **Model Portfolio**) that are created and maintained by the Filer pursuant to the Services.

10. As part of the Services, the Filer will manage each Model Portfolio to ensure it remains in compliance with its stated investment objective and investment guidelines at all times (the **Investment Guidelines**) and will determine from time to time whether any changes to the composition of the Model Portfolio would be appropriate.

11. The Filer will design the asset mix and select securities for the Model Portfolios, as well as direct trades that reflect changes in the Model Portfolios made from time to time and that will be effected by the Dealers in client accounts. Each Model Portfolio will comprise a selection of Funds and will have its own unique allocation of Funds that are exposed to different asset classes (the **Asset Classes**).

12. Exposure to the different Asset Classes in a Model Portfolio will be achieved using the Funds. Each Model Portfolio will have a percentage target weight within one or more Asset Classes (the **Target Weight**), which may, due to changes in the market value of the Funds within the Model Portfolio, increase or decrease within an upper and lower range (the **Permitted Range**). From time to time, the Filer may decide to change the Target Weight within the Permitted Range of a Model Portfolio or replace a Fund in the Model Portfolio with one or more alternative Funds (the **Model Re-allocation**). Subject to the notice requirements set out in paragraph 43 below, the Filer may also decide to change the Permitted Range of an Asset Class of a Model Portfolio (**Weighting Changes**).

13. The applicable Dealer will collect all of the required know-your-client (**KYC**), and trusted contact person (**TCP**) information (including information about the client's personal circumstances, financial circumstances, investment needs and objectives, investment knowledge, risk profile and investment time horizon required for a suitability determination) for each client who wishes to participate in the Program. Prospective clients of the Dealer will complete a questionnaire and meet with a registered dealing representative of the Dealer (an **Advisor**) in order to determine which Model Portfolio will be suitable for the client and put the client's interest first. Based on the Advisor's suitability determination, a Model Portfolio recommendation will be made to the prospective client by the Advisor.

14. The client will discuss the recommended Model Portfolio and the Funds within the Model Portfolio with their Advisor. The Advisor will communicate with the client in accordance with the Dealer's usual processes and in accordance with securities legislation, which may include face-to-face meetings (in person or on-line) and/or via telephone or email or other written correspondence. However, the client ultimately chooses the Model Portfolio. The client has no ability to select Funds within a Model Portfolio.

15. A detailed investment policy statement or similar document (the **Investment Policy Statement**) will be created for the client by the Dealer. The Investment Policy Statement or other similar document will reflect the Investment Guidelines of the Model Portfolio, the composition of the Model Portfolio and the Funds in the Model Portfolio, the Target Weights among the Asset Classes and the Permitted Range(s) of the Model Portfolio.

16. Once the client confirms the final Investment Policy Statement, the client will sign an acknowledgement form or similar document that describes the fees and provides for the payment of the fees to the Dealer, who will in turn pay fees to the Filer for the Services, and the terms of the Program (the **Client Agreement**), approving the final Investment Policy Statement and the Model Portfolio, and authorizing the Filer and the Dealer to implement and maintain the Model Portfolio.

17. The Dealer will make trades in the Funds to invest the client in accordance with their chosen Model Portfolio.

18. When, due to changes in the relative market value of the Funds included in a Model Portfolio, the Model Portfolio exceeds the Permitted Range, the Filer will update the Model Portfolio so that it is returned to a relative weight that is within the Permitted Range, and the Filer may also use its discretion from time to time to rebalance holdings in the Funds in the Model Portfolios within the Permitted Ranges (an **Account Rebalance**). As noted above, and subject to the applicable notice requirements, the Filer may also use its discretion to implement a Weighting Change in a Model Portfolio.

19. Where the Filer updates a Model Portfolio to reflect a Model Re-Allocation or an Account Rebalance, the Dealer will execute appropriate trades (a **Rebalancing Trade**) within a reasonable time to reflect such updates in client accounts. Where the Filer updates a Model Portfolio to reflect a Weighting Change, the Dealer will execute appropriate trades (**Weighting Change Trades**) within a reasonable time to reflect such updates in client accounts. In each case, the Dealer

will confirm receipt of the Filer's instructions and will provide written confirmation to the Filer that the trades have been effected in accordance with the Filer's instructions in the applicable client accounts.

20. In the Client Agreement, the client will authorize the Dealer (or an affiliate of the Dealer or another dealer registered in a category that permits the trade) to undertake Rebalancing Trades and Weighting Change Trades in accordance with the Model Portfolios and as directed by the Filer.

21. Clients will have no direct contact with the Filer in connection with the Filer's management of the Model Portfolios. Clients will interact solely with the applicable Dealer and Advisor of the Dealer in connection with the Filer's management of the Model Portfolios and the Dealer's administration of the clients' accounts.

22. Each Dealer and their Advisors will not market the Programs as managed account programs to their clients – their recommendation will be limited to recommending that a client participate in a Program, through which the client will invest in accordance with a Model Portfolio. Although the Filer develops the Model Portfolios, each Dealer and each Advisor must determine whether or not investing in the constituent Funds included in the Model Portfolio is suitable for that client and puts the client's interest first. The Filer is responsible for developing the Model Portfolios and managing them, but does not refer to any specific client's circumstances in doing so.

23. Where the Dealer determines that a Model Portfolio is no longer suitable for a client or no longer puts the client's interest first or that a different Model Portfolio would be more appropriate for the client, this will be communicated to the client by the Dealer, and the Dealer will take appropriate action. A change to a different Model Portfolio will not be made without the client entering into a new Client Agreement in respect of the new Model Portfolio.

24. Each Dealer has the option of imposing a minimum investment amount for clients to participate in the Program, and the minimum investment amounts for different Dealers may vary.

25. A client may terminate their participation in a Program at any time by contacting their Dealer.

Fees and Expenses

26. Each client that participates in the Program will pay a fixed Dealer fee in return for the administration of the Program (the **Program Fee**).

27. The Program Fee will include the fee payable by the Dealer to the Filer in return for the Services and any Outside Management Fees (as defined below).

28. The Model Portfolios comprise institutional series units of Funds that are conventional mutual funds, and, if applicable, units of ETFs. Any applicable management fees for institutional series units of Funds (the **Outside Management Fees**) that are conventional mutual funds will be charged outside the Funds and negotiated by the Dealer with the applicable investment fund manager of the Fund. Certain institutional series of Funds that are conventional mutual funds have operating expenses, and may have a performance fee, that will be charged within the Funds. The management fees and operating expenses for ETFs will be charged within the ETFs.

29. There will be no duplication of any fees or charges for the same services as a result of a client's decision to participate in the Program. No sales charges, redemption fees, switch fees or early trading fees will be charged in connection with any of the trades effected by the Dealer in connection with the Service. For Model Portfolios comprised of ETFs, brokerage fees, if any, will be paid by the Dealer for each trade it effects in connection with the Service.

30. All fees and expenses charged in respect of the Program, including the Program Fee (which includes any Outside Management Fees), will be described in the Client Agreement. The fees and expenses related to the Funds, including those managed by the Filer, will be described in the Fund prospectus and Fund Facts or ETF Facts, as applicable.

Client Agreement and Client Reporting

31. If the prospective client decides to proceed with participating in a Program and investing in accordance with a Model Portfolio, the Client Agreement is entered into between the client and the Dealer, which will set out, among other matters, the following:

    (a) Model Portfolio -- The client will acknowledge the Filer's role in managing the Model Portfolios on a discretionary basis with a view to ensuring that the Model Portfolios are managed in accordance with the Investment Guidelines (as defined below) and within the Permitted Ranges indicated in the Client Agreement, which may be adjusted in the discretion of the Filer subject to the notice requirement described below, and that the Filer is not responsible for taking into consideration the client's circumstances in the management of the Model Portfolios;

(b) No changes to another Model Portfolio -- In the event that a Dealer determines that an investment in a particular Model Portfolio is no longer suitable for a client or no longer puts the client's interest first, and that a different Model Portfolio would be more appropriate for the client, this will be communicated to the client by the Dealer, and the Advisor of the Dealer will undertake the analysis described in paragraphs 13 and 14 above and enter into a new Client Agreement before the client's investments are changed to reflect the new Model Portfolio;

(c) KYC, TCP and suitability -- The client will acknowledge that the Know Your Client Requirements, the Trusted Contact Person Requirement, and the Suitability Determination Requirement are not the responsibility of the Filer, but instead will be that of the Dealer who will gather and periodically update the KYC and TCP information concerning the client and determine, on at least an annual basis, that the selected Model Portfolio continues to be suitable for the client and put the client's interest first;

(d) Weighting Change Trades – Subject to the notice requirements set out in paragraph 43 below, the client will acknowledge that the Filer may use its discretion, from time to time, to make decisions regarding Weighting Changes for a Model Portfolio, and will authorize the Dealer to purchase and redeem securities of the Funds in the client's account to reflect such Weighting Changes to the Model Portfolio (the **Weighting Change Trades**);

(e) Rebalancing Trades -- The client will acknowledge that the Filer may from time to time use its discretion to direct an Account Rebalance or a Model Re-allocation, which will be effected through the Dealer as Rebalancing Trades;

(f) Fee Redemption Trades -- The client will authorize the Dealer to redeem units of the Funds to pay fees owed by the client to the Dealer pursuant to the Client Agreement (the **Fee Redemption Trades**);

(g) The Filer will agree, in its Services Agreement with each Dealer, to be responsible for ensuring that the Model Portfolios are managed in accordance with the Investment Guidelines agreed to with the Dealer and acknowledged by the client; and

(h) No discretionary authority for the Dealers -- The client will acknowledge that the Dealer will not have discretionary authority to participate in the management of the Model Portfolio or to direct Weighting Change Trades or Rebalancing Trades.

32. In addition to the Client Agreement, the client will also be provided by the Dealer:

(a) with the final Investment Policy Statement prior to or concurrently with the execution of the Client Agreement which sets out the Investment Guidelines of the Model Portfolio, the composition of the Model Portfolio and the Funds in the Model Portfolio, the Target Weights, the Permitted Range(s), as well as the fees payable to the Dealer, who will in turn pay fees to the Filer; and

(b) within two days of trades being implemented for the Model Portfolio, with the Fund Facts and ETF Facts, as applicable, as may be required by applicable securities laws, subject to any applicable exemption available to the Dealer, in respect of the Funds included in the Model Portfolio for a client. In the event that, as part of the Rebalancing Trades, a new replacement Fund is incorporated as part of the Model Portfolio, the client will similarly be provided with the Fund Facts or ETF Facts, as applicable, for the replacement Fund, as may be required by applicable securities laws, subject to any applicable exemption available to the Dealer.

33. The Dealer is responsible for arranging for the execution of the Client Agreement and related materials by the client.

34. Account opening documents relating to the Program will explain the different responsibilities of the Dealer and the Filer with respect to the client and the Model Portfolio. This will include disclosure that the Filer is responsible for managing the Model Portfolio without reference to the client's circumstances and only in accordance with the Model Portfolio selected by the client, and that the Dealer alone will have the responsibility to determine that the selected Model Portfolio is and remains suitable for the client and puts the client's interest first.

35. The Funds that will comprise each Model Portfolio will be held directly by each client in their own account with the Dealer and if the client has not already opened an account with the Dealer, the client will complete an account application.

36. Each Dealer will reflect all Weighting Change Trades, Rebalancing Trades or Fee Redemption Trades in the client's account.

37. Each Dealer will be responsible for providing clients in the Program with account statements in accordance with the requirements under the Legislation. Such statements of account will identify the assets participating in the Program and invested in accordance with the Model Portfolios.

38. Trade confirmations for every transaction in a client's account will be provided to the client by the Dealer in accordance with the requirements under the Legislation.

39. An investment performance report will be sent to each client in the Program by the applicable Dealer on an annual basis.

40. The Dealer will also provide the client with an annual tax reporting package, as applicable.

41. Clients will be able to access their accounts in the manner each Dealer makes its accounts available for its clients.

Oversight and Monitoring

42. The following monitoring and oversight procedures will be carried out in connection with each client's account in the Program:

    (a) An annual portfolio review will be conducted by the relevant Advisor to determine whether there have been any changes to the client's circumstances, including the client's personal and financial circumstances, investment needs and objectives, risk profile and investment time horizon, that would warrant the selection of another Model Portfolio; and

    (b) There will be ongoing oversight of each Model Portfolio by the Filer's advising representatives to determine whether the composition of the Model Portfolio remains in compliance with its Investment Guidelines and the Filer's advising representatives will determine from time to time whether any changes to the composition of the Model Portfolio, such as changes to the Funds or Target Weights, would be appropriate.

43. Provided that the Dealer, except in exceptional market circumstances, is given at least 60 days' advance written notice (the **Written Notice**) and the Model Portfolio remains consistent with its Investment Guidelines at all times, the Filer may also, from time to time, use its discretion to make Weighting Changes.

44. The Written Notice will describe the proposed Weighting Change and will provide sufficient detail for the Dealer to determine whether the Model Portfolios, after the implementation of the proposed change, would continue to be appropriate for its clients. The Written Notice will specify that if the Dealer does not provide an objection to the proposed Weighting Change by a specified date, such non-objection will be deemed to be consent for the changes on the effective date.

Exemption Sought

45. Through the Filer's provision of the Services, and pursuant to, together, the Services Agreement between the Filer and the applicable Dealer and the Client Agreement between the Dealer and the client, (i) clients that participate in a Program have investment exposure to portfolio management decisions made by the Filer, and (ii) the Filer and the Dealer each deliver distinct ongoing registrable services for the benefit of the client, which together comprise the Program.

46. In the absence of the Exemption Sought, the Filer would therefore be required:

    (a) to gather and update the information contemplated by the Know Your Client Requirements and the Trusted Contact Person Requirement for each client in the Program;

    (b) to make a suitability determination for each client in the Program in respect of the applicable Model Portfolio(s) and ensure that each Rebalancing Trade and Weighting Change Trade is suitable for each client in the Program and puts the client's interest first in accordance with the Suitability Determination Requirement, rather than invested in accordance with the Investment Guidelines for the Model Portfolios; and

    (c) to deliver account statements and investment performance reports to clients who have invested in accordance with the Model Portfolios in as required by the Statement Delivery Requirement.

47. The Dealers do not require an exemption from the adviser registration requirement under the Legislation as a result of their involvement with the Program, as they will not be engaged in providing discretionary management advice to clients in connection with the management of the Model Portfolios and will be effecting the Rebalancing Trades and Weighting Change Trades without exercising any discretion.

Decision

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

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

(a) the Filer is, at the time of any client investment in the Program, Rebalancing Trade and Weighting Change Trade, registered under the Legislation as an adviser in the category of portfolio manager;

(b) each Rebalancing Trade and Weighting Change Trade is made in accordance with the Investment Guidelines of the selected Model Portfolio;

(c) each client in a Program is informed in writing:

(i) of the roles, duties and responsibilities of the Filer and the Dealer, including that:

a. the Filer will manage the Model Portfolios without reference to the client's circumstances and only in accordance with the terms of each Model Portfolio that is created and maintained by the Filer pursuant to the Services;

b. the Dealer will be solely responsible for gathering and periodically updating KYC and TCP information concerning the client and confirming, on at least an annual basis, that the selected Model Portfolio continues to be suitable for the client and puts the client's interest first;

(ii) that the client will receive account statements and performance reports from the Dealer, and will not receive account statements and performance reports from the Filer;

(d) the Filer will adopt, maintain and apply oversight policies and procedures designed to provide reasonable assurance that each Dealer complies with its KYC, TCP and suitability determination obligations with respect to each client in a Program, including requiring that:

(i) the Dealer not market and sell the Model Portfolios through an order-execution-only, suitability-exempt channel;

(ii) the Dealer notify the Filer of each instance where a Model Portfolio is sold to a client on the basis of a client-directed trade as contemplated in section 13.3 of NI 31-103 and similar provisions under CIRO rules;

(iii) the Dealer be responsible for gathering and periodically updating KYC and TCP information concerning the client and confirming, on at least an annual basis, that the selected Model Portfolio continues to be suitable for the client and puts the client's interest first;

(iv) the Dealer, on an annual basis, no later than 30 days after the end of the calendar year, provide a certificate to the Filer that the Dealer has complied with its KYC, TCP and suitability determination obligations with respect to each client in the Program.

(e) the Filer will adopt, maintain and apply oversight policies and procedures designed to provide reasonable assurance that each Dealer complies with its client reporting obligations in respect of clients in a Program, including requiring that the Dealer, on an annual basis, no later than 30 days after the end of the calendar year, provide a certificate to the Filer that:

(i) the Dealer has complied with its client reporting obligations under the rules of CIRO, and

(ii) the Dealer has undertaken steps in accordance with its policies and procedures to provide reasonable assurance that account statements and investment performance reports delivered to clients are complete, accurate and delivered on a timely basis in a format that is compliant with the rules of CIRO.

(f) the Filer will adopt, maintain and apply oversight policies and procedures designed to provide reasonable assurance that each Dealer complies with its obligations in respect of all trading for clients in a Program, including requiring that the Dealer, on an annual basis, no later than 30 days after the end of the calendar year, provide a certificate to the Filer that the Dealer has effected all trades for clients in a Program in accordance with the selected Model Portfolios as directed by the Filer; and

(g) the Filer has a written agreement in place with each Dealer concerning their respective roles, duties and responsibilities to clients in respect of a Program and the Services.

"Vera Nunes"
Manager, Registration, Inspections and Examinations Division
Ontario Securities Commission

OSC File #: 2023/0530

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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
THERE IS NOTHING TO REPORT THIS WEEK.		

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

Company Name	Date of Order	Date of Lapse
THERE IS NOTHING TO REPORT THIS WEEK.		

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		

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	
Cloud3 Ventures Inc.	October 29, 2024	
Falcon Gold Corp.	October 29, 2024	

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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:
Big Pharma Split Corp.
Principal Regulator – Ontario
Type and Date:
Preliminary Shelf Prospectus dated Dec 10, 2024
NP 11-202 Preliminary Receipt dated Dec 11, 2024
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Filing #06218326

Issuer Name:
Hamilton Canadian Financials Index ETF
HAMILTON CHAMPIONS™ Canadian Dividend Index ETF
HAMILTON CHAMPIONS™ Enhanced Canadian Dividend ETF
HAMILTON CHAMPIONS™ Enhanced U.S. Dividend ETF
HAMILTON CHAMPIONS™ U.S. Dividend Index ETF
Principal Regulator – Ontario
Type and Date:
Combined Preliminary and Pro Forma Long Form Prospectus dated Dec 10, 2024
NP 11-202 Preliminary Receipt dated Dec 12, 2024
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Filing #06218595

Issuer Name:
Harvest Coinbase High Income Shares ETF
Harvest Diversified High Income Shares ETF
Harvest Meta Enhanced High Income Shares ETF
Harvest MicroStrategy High Income Shares ETF
Harvest Palantir Enhanced High Income Shares ETF
Harvest Tesla Enhanced High Income Shares ETF
Principal Regulator – Ontario
Type and Date:
Combined Preliminary and Pro Forma Long Form Prospectus dated Dec 9, 2024
NP 11-202 Preliminary Receipt dated Dec 10, 2024
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Filing #06217881

Issuer Name:
BMO SPDR Communication Services Select Sector Index ETF
BMO SPDR Consumer Discretionary Select Sector Index ETF
BMO SPDR Consumer Staples Select Sector Index ETF
BMO SPDR Energy Select Sector Index ETF
BMO SPDR Financials Select Sector Index ETF
BMO SPDR Health Care Select Sector Index ETF
BMO SPDR Industrials Select Sector Index ETF
BMO SPDR Materials Select Sector Index ETF
BMO SPDR Real Estate Select Sector Index ETF
BMO SPDR Technology Select Sector Index ETF
BMO SPDR Utilities Select Sector Index ETF
BMO Target 2027 Canadian Corporate Bond ETF
BMO Target 2028 Canadian Corporate Bond ETF
BMO Target 2029 Canadian Corporate Bond ETF
Principal Regulator – Ontario
Type and Date
Combined Preliminary and Pro Forma Simplified Prospectus dated Dec 6, 2024
NP 11-202 Preliminary Receipt dated Dec 10, 2024
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Filing #06218232

Issuer Name:
Maple Leaf Critical Minerals 2025 Enhanced Flow-Through Limited Partnership - National Class
Maple Leaf Critical Minerals 2025 Enhanced Flow-Through Limited Partnership - Quebec Class
Principal Regulator – British Columbia
Type and Date:
Preliminary Long Form Prospectus dated Dec 16, 2024
NP 11-202 Preliminary Receipt dated Dec 16, 2024
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Filing #6220142 and 6220149

Issuer Name:
Dynamic Active Canadian Dividend ETF
Dynamic Active Global Equity Income ETF
Dynamic Active International Dividend ETF
Dynamic Active Ultra Short Term Bond ETF
Principal Regulator – Ontario
Type and Date:
Amendment #3 to Final Long Form Prospectus dated Dec 6,
NP 11-202 Final Receipt dated Dec 10, 2024
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Filing #06065193

Issuer Name:
Global X Canadian High Dividend Index Corporate Class ETF
Global X Canadian Select Universe Bond Index Corporate Class ETF
Global X Cash Maximizer Corporate Class ETF
Global X Emerging Markets Equity Index Corporate Class ETF
Global X Equal Weight Canadian Banks Index Corporate Class ETF
Global X Equal Weight Canadian REITs Index Corporate Class ETF
Global X Europe 50 Index Corporate Class ETF
Global X Intl Developed Markets Equity Index Corporate Class ETF
Global X Laddered Canadian Preferred Share Index Corporate Class ETF
Global X S&P 500 CAD Hedged Index Corporate Class ETF
Global X S&P 500 Index Corporate Class ETF
Global X S&P/TSX 60 Index Corporate Class ETF
Global X S&P/TSX Capped Composite Index Corporate Class ETF
Global X S&P/TSX Capped Energy Index Corporate Class ETF
Global X S&P/TSX Capped Financials Index Corporate Class ETF
Global X US 7-10 Year Treasury Bond Index Corporate Class ETF
Global X USD Cash Maximizer Corporate Class ETF
Principal Regulator – Ontario
Type and Date:
Amendment #1 to Final Simplified Prospectus dated Dec 11, 2024
NP 11-202 Final Receipt dated Nov 16, 2024
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Filing #06159543

Issuer Name:
Dundee Resource Class (formerly, Dundee Global Resource Class)
Principal Regulator – Ontario
Type and Date:
Amendment #1 to Final Simplified Prospectus dated Dec 9, 2024
NP 11-202 Final Receipt dated Dec 16, 2024
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Filing #06098496

Issuer Name:
Mackenzie Enhanced Global Balanced Fund
(formerly Mackenzie Diversified Growth Fund)
Principal Regulator – Ontario
Type and Date:
Amendment # to Final Simplified Prospectus dated Dec 9, 2024
NP 11-202 Final Receipt dated Dec 16, 2024
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Filing #06162227

Issuer Name:
Scotia Canadian Small Cap Fund
Scotia Global Bond Fund
Scotia Global Dividend Class
Scotia Global Equity Fund
Scotia Low Carbon Global Equity Fund
Scotia U.S. Opportunities Fund
Principal Regulator – Ontario
Type and Date:
Amendment #2 to Final Simplified Prospectus dated Dec 6, 2024
NP 11-202 Final Receipt dated Dec 10, 2024
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Filing #06115766, 06115782, 06115787, 06115789

Issuer Name:
PIMCO Monthly Enhanced Income Fund
Principal Regulator – Ontario
Type and Date:
Final Long Form Prospectus dated Dec 10, 2024
NP 11-202 Final Receipt dated Dec 11, 2024
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Filing #06192210

Issuer Name:
Balanced Income Portfolio
Conservative Income Portfolio
Enhanced Income Portfolio
Imperial Canadian Bond Pool
Imperial Canadian Diversified Income Pool
Imperial Canadian Dividend Income Pool
Imperial Canadian Equity Pool
Imperial Emerging Economies Pool
Imperial Equity High Income Pool
Imperial Global Equity Income Pool
Imperial International Bond Pool
Imperial International Equity Pool
Imperial Money Market Pool
Imperial Overseas Equity Pool
Imperial Short-Term Bond Pool
Imperial U.S. Equity Pool
Principal Regulator – Ontario
Type and Date:
Final Simplified Prospectus dated Dec 10, 2024
NP 11-202 Final Receipt dated Dec 11, 2024
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Filing #06195680

Issuer Name:
Premium Global Income Split Corp.
Principal Regulator – Ontario
Type and Date:
Final Shelf Prospectus dated Dec 13, 2024
NP 11-202 Final Receipt dated Dec 16, 2024
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Filing # 06217906

Issuer Name:
Dynamic Active Balanced ETF Portfolio
Dynamic Active Conservative ETF Portfolio
Dynamic Active Core Bond Private Pool
Dynamic Active Credit Strategies Private Pool
Dynamic Active Growth ETF Portfolio
Dynamic Active Income ETF Portfolio
Dynamic Advantage Bond Class
Dynamic Advantage Bond Fund
Dynamic Alternative Yield Class
Dynamic Alternative Yield Fund
Dynamic American Class
Dynamic American Fund
Dynamic Asia Pacific Equity Fund
Dynamic Asset Allocation Private Pool
Dynamic Blue Chip Balanced Fund
Dynamic Blue Chip Equity Fund
Dynamic Canadian Bond Fund
Dynamic Canadian Dividend Fund
Dynamic Canadian Equity Private Pool Class
Dynamic Canadian Value Class
Dynamic Conservative Yield Private Pool
Dynamic Conservative Yield Private Pool Class
Dynamic Corporate Bond Strategies Class
Dynamic Corporate Bond Strategies Fund
Dynamic Credit Spectrum Fund
Dynamic Diversified Inflation Focused Fund
Dynamic Dividend Advantage Class
Dynamic Dividend Advantage Fund
Dynamic Dividend Fund
Dynamic Dividend Income Class
Dynamic Dollar-Cost Averaging Fund
Dynamic Emerging Markets Equity Fund
Dynamic Energy Evolution Fund
Dynamic Energy Income Fund
Dynamic Equity Income Fund
Dynamic European Equity Fund
Dynamic Financial Services Fund
Dynamic Global Asset Allocation Class
Dynamic Global Asset Allocation Fund
Dynamic Global Balanced Fund
Dynamic Global Discovery Class
Dynamic Global Discovery Fund
Dynamic Global Dividend Class
Dynamic Global Dividend Fund
Dynamic Global Equity Fund
Dynamic Global Equity Income Fund
Dynamic Global Equity Private Pool Class
Dynamic Global Fixed Income Fund
Dynamic Global Infrastructure Class
Dynamic Global Infrastructure Fund
Dynamic Global Real Estate Fund (formerly Dynamic Focus+ Real Estate Fund)
Dynamic Global Strategic Yield Fund
Dynamic Global Yield Private Pool
Dynamic Global Yield Private Pool Class
Dynamic High Yield Bond Fund
Dynamic International Discovery Fund
Dynamic International Dividend Private Pool
Dynamic International Equity Fund
Dynamic Money Market Class
Dynamic Money Market Fund
Dynamic North American Dividend Private Pool
Dynamic Power American Growth Class
Dynamic Power American Growth Fund
Dynamic Power Balanced Fund
Dynamic Power Canadian Growth Fund
Dynamic Power Global Balanced Class
Dynamic Power Global Growth Class
Dynamic Power Global Growth Fund
Dynamic Power Small Cap Fund
Dynamic Precious Metals Fund
Dynamic Preferred Yield Class
Dynamic Premium Balanced Private Pool Class
Dynamic Premium Bond Private Pool
Dynamic Premium Bond Private Pool Class
Dynamic Premium Yield Class
Dynamic Premium Yield Fund
Dynamic Retirement Income Fund
Dynamic Short Term Bond Fund
Dynamic Small Business Fund
Dynamic Strategic Energy Class
Dynamic Strategic Gold Class
Dynamic Strategic Resource Class
Dynamic Strategic Yield Class
Dynamic Strategic Yield Fund
Dynamic Sustainable Credit Fund
Dynamic Sustainable Equity Fund
Dynamic Tactical Bond Private Pool
Dynamic Total Return Bond Class
Dynamic Total Return Bond Fund
Dynamic U.S. Balanced Class
Dynamic U.S. Equity Income Fund
Dynamic U.S. Equity Private Pool Class
Dynamic U.S. Strategic Yield Fund (formerly Dynamic U.S. Monthly Income Fund)
Dynamic Ultra Short Term Bond Fund
Dynamic Value Balanced Class
Dynamic Value Balanced Fund
Dynamic Value Fund of Canada
DynamicEdge Balanced Class Portfolio
DynamicEdge Balanced Growth Class Portfolio
DynamicEdge Balanced Growth Portfolio
DynamicEdge Balanced Income Portfolio
DynamicEdge Balanced Portfolio
DynamicEdge Conservative Class Portfolio
DynamicEdge Defensive Portfolio
DynamicEdge Equity Class Portfolio
DynamicEdge Equity Portfolio
DynamicEdge Growth Class Portfolio
DynamicEdge Growth Portfolio
Marquis Balanced Class Portfolio
Marquis Balanced Growth Class Portfolio
Marquis Balanced Growth Portfolio
Marquis Balanced Income Portfolio
Marquis Balanced Portfolio
Marquis Equity Portfolio
Marquis Growth Portfolio
Marquis Institutional Balanced Growth Portfolio
Marquis Institutional Balanced Portfolio
Marquis Institutional Bond Portfolio
Marquis Institutional Canadian Equity Portfolio
Marquis Institutional Equity Portfolio
Marquis Institutional Global Equity Portfolio
Marquis Institutional Growth Portfolio
Principal Regulator – Ontario

Type and Date:
Final Simplified Prospectus dated Dec 6, 2024
NP 11-202 Final Receipt dated Dec 11, 2024
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Filing 06194824

NON-INVESTMENT FUNDS

Issuer Name:
DECISIVE DIVIDEND CORPORATION
Principal Regulator – British Columbia
Type and Date:
Preliminary Shelf Prospectus dated December 13, 2024
NP 11-202 Preliminary Receipt dated December 13, 2024
Offering Price and Description:
Common Shares, Debt Securities, Warrants, Subscription Receipts, Units
UP TO $100 MILLION
Filing # 06219742

Issuer Name:
TRX Gold Corporation
Principal Regulator – Ontario
Type and Date:
Preliminary Shelf Prospectus dated December 12, 2024
NP 11-202 Preliminary Receipt dated December 13, 2024
Offering Price and Description:
US$100,000,000 - Common Shares, Debt Securities, Warrants, Units
Filing # 06219028

Issuer Name:
Mandalay Resources Corporation
Principal Regulator – Ontario
Type and Date:
Final Shelf Prospectus dated December 10, 2024
NP 11-202 Final Receipt dated December 10, 2024
Offering Price and Description:
C$300,000,000 - Common Shares, Debt Securities, Subscription Receipts, Warrants, Units
Filing # 06201563

Issuer Name:
Sprock-it Acquisitions Ltd.
Principal Regulator – Alberta
Type and Date:
Preliminary CPC Prospectus dated December 6, 2024
NP 11-202 Preliminary Receipt dated December 9, 2024
Offering Price and Description:
Minimum Offering: $1,000,000 (10,000,000 Common Shares)
Maximum Offering: $1,500,000 (15,000,000 Common Shares)
Price: $0.10 per Common Share
Filing # 06217395

Issuer Name:
Fortis Inc.
Principal Regulator – Ontario
Type and Date:
Final Shelf Prospectus dated December 9, 2024
NP 11-202 Final Receipt dated December 9, 2024
Offering Price and Description:
$2,000,000,000 - COMMON SHARES, FIRST PREFERENCE SHARES, SECOND PREFERENCE SHARES, SUBSCRIPTION RECEIPTS, DEBT SECURITIES
Filing # 06217635

Issuer Name:
Arizona Metals Corp.
Principal Regulator – Ontario
Type and Date:
Preliminary Short Form Prospectus dated December 6, 2024
NP 11-202 Preliminary Receipt dated December 9, 2024
Offering Price and Description:
$25,000,001
$1.70 per Common Share
Filing # 06217554

B.10
Registrations

B.10.1 Registrants

Type	Company	Category of Registration	Effective Date
Voluntary Surrender	Verity Investment Counsel Inc.	Portfolio Manager	December 5, 2024
Change in Registration Category	HAMILTON CAPITAL PARTNERS INC. / PARTENAIRES HAMILTON CAPITAL	From: Investment Fund Manager, Portfolio Manager and Exempt Market Dealer To: Investment Fund Manager, Portfolio Manager, Exempt Market Dealer and Commodity Trading Manager	December 12, 2024
Voluntary Surrender	MONDIALE ASSET MANAGEMENT LTD.	Portfolio Manager, Commodity Trading Counsel, and Commodity Trading Manager	December 12, 2024
Suspended (Pending Surrender)	WHITEHAVEN SECURITIES INC.	Exempt Market Dealer	December 13, 2024
Voluntary Surrender	VALUE-SCIENCES INC.	Portfolio Manager	December 9, 2024
Voluntary Surrender	AQN Asset Management Ltd.	Portfolio Manager and Commodity Trading Manager	December 16, 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 to Harmonize CIRO Continuing Education Programs – Request for Comment

REQUEST FOR COMMENT

CANADIAN INVESTMENT REGULATORY ORGANIZATION (CIRO)

PROPOSED AMENDMENTS TO HARMONIZE CIRO CONTINUING EDUCATION PROGRAMS

CIRO is publishing for comment proposed rule amendments to its continuing education (**CE**) programs under the Investment Dealer and Partial Consolidated Rules and the Mutual Fund Dealer Rules as part of its commitment to developing harmonized CE rules.

The primary purpose of this bulletin is to seek comments on the proposed rule amendments, which is part of the first phase to harmonize:

- firm record-keeping and reporting responsibilities for CE,
- accreditation requirements,
- types of courses or activities that qualify for CE,
- treatment of CE course repeats,
- treatment of carry forwards, and
- the approach with the Voluntary Participation Program.

CIRO is also seeking feedback on further considerations for CE harmonization, which it plans to propose as the second phase of amendments.

A copy of the CIRO Bulletin, including the text of the proposed rule amendments, is also available on the Ontario Securities Commission website at www.osc.ca. The comment period ends on March 18, 2025.

B.11.2 Marketplaces

B.11.2.1 Alpha Exchange Inc. – Proposed Amendments and Request for Comments – Notice

**NOTICE OF
PROPOSED AMENDMENTS AND REQUEST FOR COMMENTS**

ALPHA EXCHANGE INC.

Alpha Exchange Inc. (the "**Exchange**") is publishing this Notice of Proposed Amendments and Request for Comments in accordance with the "Process for the Review and Approval of Rules and the Information Contained in Form 21-101F1 and the Exhibits Thereto" regarding certain changes to amend the repricing methodology of certain dark order types on Alpha DRK, as described below (the "**Amendments**").

Market participants are invited to provide comments. Comments should be in writing and delivered by January 20, 2025 to:

Linda Zhang
Legal Counsel, Regulatory Affairs
TMX Group
100 Adelaide Street West, Suite 300
Toronto, Ontario M5H 1S3
Email: tsxrequestforcomments@tsx.com

A copy should also be provided to:

Trading & Markets Division
Ontario Securities Commission
20 Queen Street West
Toronto, Ontario M5H 3S8
Email: TradingandMarkets@osc.gov.on.ca

Comments will be made publicly available unless confidentiality is requested. Upon completion of the review by staff at the Ontario Securities Commission ("**OSC**"), and in the absence of any regulatory concerns, a notice will be published to confirm approval by the OSC.

Background, Outline and Rationale for the Amendments

Trading activities in Canada are governed by the Universal Market Integrity Rules ("**UMIR**"), which is administered and enforced by The Canadian Investment Regulatory Organization. Section 6.6 of UMIR - *Provision of Price Improvement by a Dark Order* states that an order entered on a marketplace may execute with a dark order provided that the order entered by the participant is executed at a "better price", unless the order meets certain volume and/or value thresholds or is otherwise excluded from the application of the rule. UMIR defines a "better price" as:

(a) in the case of a purchase, a price that is at least one trading increment lower than the best ask price at the time of the entry of the order to a marketplace provided that, if the best bid price is one trading increment lower than the best ask price, the price shall be at least one-half of one trading increment lower; and

(b) in the case of a sale, a price that is at least one trading increment higher than the best bid price at the time of the entry of the order to a marketplace provided that, if the best ask price is one trading increment higher than the best bid price, the price shall be at least one-half of one trading increment higher.

Section 6.1 of UMIR sets out these trading increments (colloquially referred to as "ticks"). Tick sizes are dependent on the price of the applicable security, and are as follows:

Price of a Given Security	Trading Increment / Tick
Under $0.50	Half a cent ($0.005)
At or over $0.50	One cent ($0.01)

Under UMIR, when the spread (i.e. the difference between the buy (bid) and sell (offer) price) is: (i) more than 1 tick, the definition of a "better price" requires at least 1 tick (or trading increment) price improvement, and (ii) 1 tick, the definition of "better price" requires price improvement of half a tick.

For example:

- if the "buy" price is $1 and the "sell" price is $1.10, the price is improved to $1.09. This is because the security is over $0.50 and the spread is more than 1 tick, and therefore the improved price is 1 tick lower (i.e. $0.01 lower); and
- if the "buy" price is $0.25 and the "sell" price is $0.255, the price is improved to $0.2525. This is because the security is under $0.50 and the spread is 1 tick, and therefore the improved price is half a tick lower (i.e. half of $0.005 lower).

In contrast, this differs from the current methodology of certain dark order types on Alpha DRK, where in certain situations, orders always reprice by a full tick regardless of the size of the spread. Due to this current methodology (i.e., repricing to 1 tick regardless of the size of the spread), where the spread is 1 tick, dark orders that might trade with small orders[1] will not execute because they will not reprice. However, the Amendments propose to amend the repricing behavior of certain order types to allow for half tick price improvements.

Similarly, the current methodology of certain dark order types on Alpha DRK provides that for certain large or small orders where the spread is 2 ticks or more, execution will occur at the far side when passive. While this is permitted under section 6.6 of UMIR, we are of the view that participants may prefer that passive orders also benefit from price improvement. The Amendments also propose to amend the repricing behavior of certain dark order types to allow for 1 tick price improvements (as permitted under UMIR) where the spread is 2 ticks or more. As a result, the Amendments will aim to benefit the passive side for price improvement for certain large or small orders.

Most of the liquid symbols in Canada typically have tight spreads. Our analysis has found that approximately 85% of all dark orders on Alpha DRK are small orders when the spread is 1 tick. The Amendments seek to refine our dark market trading practices to better align with market needs and regulatory frameworks. By implementing half tick price improvements as proposed under the Amendments, we anticipate that the likelihood of small order interactions will increase, thereby improving execution rates and overall market liquidity.

The charts below set out an overview of the affected order types and their existing behavior on Alpha DRK, and their proposed behavior under the Amendments when the spread is 1 tick.

Alpha DRK

ALPHA DRK	**If NBBO (National Best Bid Offer) spread is 1 tick**	
	Existing Behaviour	**Proposed Behaviour**
	(Aggressive)	**(Aggressive)**
Small Order / Large Order	**IF NBBO is 1 tick**	**(NBBO) Rests at**
Unpegged DRK (LMT or MKT)	Reprice 1 Tick	Half Tick
Market Peg	Reprice 1 Tick	Half Tick
MIS/ MQTY	Reprice 1 Tick	Half Tick

The chart below sets out an overview of the affected order types and their existing behavior on Alpha DRK, and their proposed behavior under the Amendments when the spread is 2 ticks or more.

Alpha DRK

ALPHA DRK	**If NBBO (National Best Bid Offer) spread is 2 ticks or more**	
	(Aggressive)	
	Existing Behavior	**Proposed Behavior**
Large Order	**IF NBBO is 2 ticks or more**	**(NBBO) Rests at**
Unpegged DRK (LMT or MKT)	Far Side	Reprice 1 tick

[1] Section 6.6 of UMIR allows for the execution of an order with a dark order at a price other than a "better price", dependent on the volume and value of that order. Based on UMIR 6.6, for purposes of this notice a "small order" is defined as any order that is not a "large order", and a "large order" is an order (i) for more than 50 standard trading units and which has a value of more than $30,000 or (ii) which has a value of more than $100,000.

MIS/MQTY	Far Side	Reprice 1 tick
Primary Peg (+offset)	Far Side	Reprice 1 tick
Market Peg	Far Side	Reprice 1 tick

Please also see below for examples of the proposed repricing methodology using a DRK order with a limit price as an example.

Proposed Methodology Example 1: DRK Limit Large Order (Scenario 1 tick spread)

Protected NBBO	**NBB**	**NBBO**
	10	**10.01**
Step 1	Incoming Buy Large Order with Limit price at 10.01	
Step 2	The order on entry will sweep the dark book until 10.01 (No match)	
Step 3	The order books in the dark book at 10.005 (i.e. proposed half tick repricing)	
Step 4	Incoming Sell Large order with Limit price at 10.00	
Step 5	The order on entry will match with the booked buy order at 10.005 resulting in a trade where both orders receive price improvement	

Proposed Methodology Example 2: DRK Limit Small Order (Scenario 1 tick spread)

Protected NBBO	**NBB**	**NBBO**
	11	**11.01**
Step 1	Incoming Buy Small Order with Limit price at 11.01	
Step 2	The order on entry will sweep the dark book until 11.005 (No match)	
Step 3	The order books in the dark book at 11.005 (i.e. proposed half tick repricing)	
Step 4	Incoming Sell Small order with Limit price at 11.00	
Step 5	The order on entry will match with the booked buy order at 11.005 resulting in a trade where both orders receive price improvement	

Proposed Methodology Example 3: DRK Limit Large Order (Scenario 2 ticks spread)

Protected NBBO	**NBB**	**NBBO**
	10	**10.02**
Step 1	Incoming Buy Large Order with Limit price at 10.02	
Step 2	The order on entry will sweep the dark book until 10.02 (No match)	
Step 3	The order books in the dark book at 10.01 (i.e. proposed 1 tick repricing)	
Step 4	Incoming Sell Large order with Limit price at 10.00	
Step 5	The order on entry will match with the booked buy order at 10.01 resulting in a trade where both orders receive price improvement	

We believe the proposed structure may help increase liquidity, reduce missed trading opportunities, and ensure a steady flow of trades, especially in markets where tight spreads are common.

Given that the definition of “better price” in UMIR already allows for an order to execute with a dark order at a half-tick increment when the spread is 1 tick and at a 1 tick increment when the spread is 2 ticks or more, the Amendments do not deviate from the fundamental principles of price discovery and market fairness.

Analysis of Impact

(ii) Impact on Market

The Exchange anticipates that the Amendments will have a positive impact on the market structure, members, investors, issuers or the capital markets. The Exchange believes that the Amendments are fair and reasonable, and will not create barriers to access.

The Exchange anticipates that the Amendments will enhance market liquidity, and improve trade execution.

(iii) Impact on Compliance with Applicable Securities Law

The Amendments will not impact the Exchange's compliance with applicable securities law and in particular the requirements for fair access and maintenance of fair and orderly markets. As noted above, the Exchange is of the view that the Amendments will support the maintenance of fair and orderly markets.

(iv) Impact on Clients and Service Vendors

Clients will not be required to update their routing methodology and trading strategies to take the Amendments into account. Technical developments are not required for clients to take the Amendments into account.

Consultations undertaken in formulating the Amendments

In formulating the Amendments, the internal governance process for the Exchange was followed, which included receipt of the appropriate management-level approval, and all applicable internal groups at the Exchange were consulted.

Alternatives Considered

No alternatives were considered.

Do the Amendments currently exist in other markets or jurisdictions

The Amendments currently exist in other dark markets in Canada and are aligned with price improvement requirements under UMIR.

Timing

The Exchange intends to implement the Amendments in Q1 2025, subject to regulatory approval and client readiness.

B.11.2.2 TSX Inc. – Proposed Amendments and Request for Comments – Notice

NOTICE OF
PROPOSED AMENDMENTS AND REQUEST FOR COMMENTS

TSX INC.

TSX Inc. (the "**Exchange**") is publishing this Notice of Proposed Amendments and Request for Comments in accordance with the "Process for the Review and Approval of Rules and the Information Contained in Form 21-101F1 and the Exhibits Thereto" regarding certain changes to amend the repricing methodology of certain dark order types on TSX DRK, as described below (the "**Amendments**").

Market participants are invited to provide comments. Comments should be in writing and delivered by January 20, 2025 to:

Linda Zhang
Legal Counsel, Regulatory Affairs
TMX Group
100 Adelaide Street West, Suite 300
Toronto, Ontario M5H 1S3
Email: tsxrequestforcomments@tsx.com

A copy should also be provided to:

Trading & Markets Division
Ontario Securities Commission
20 Queen Street West
Toronto, Ontario M5H 3S8
Email: TradingandMarkets@osc.gov.on.ca

Comments will be made publicly available unless confidentiality is requested. Upon completion of the review by staff at the Ontario Securities Commission ("**OSC**"), and in the absence of any regulatory concerns, a notice will be published to confirm approval by the OSC.

Background, Outline and Rationale for the Amendments

Trading activities in Canada are governed by the Universal Market Integrity Rules ("**UMIR**"), which is administered and enforced by The Canadian Investment Regulatory Organization. Section 6.6 of UMIR - *Provision of Price Improvement by a Dark Order* states that an order entered on a marketplace may execute with a dark order provided that the order entered by the participant is executed at a "better price", unless the order meets certain volume and/or value thresholds or is otherwise excluded from the application of the rule. UMIR defines a "better price" as:

(a) in the case of a purchase, a price that is at least one trading increment lower than the best ask price at the time of the entry of the order to a marketplace provided that, if the best bid price is one trading increment lower than the best ask price, the price shall be at least one-half of one trading increment lower; and

(b) in the case of a sale, a price that is at least one trading increment higher than the best bid price at the time of the entry of the order to a marketplace provided that, if the best ask price is one trading increment higher than the best bid price, the price shall be at least one-half of one trading increment higher.

Section 6.1 of UMIR sets out these trading increments (colloquially referred to as "ticks"). Tick sizes are dependent on the price of the applicable security, and are as follows:

Price of a Given Security	Trading Increment / Tick
Under $0.50	Half a cent ($0.005)
At or over $0.50	One cent ($0.01)

Under UMIR, when the spread (i.e. the difference between the buy (bid) and sell (offer) price) is: (i) more than 1 tick, the definition of a "better price" requires at least 1 tick (or trading increment) price improvement, and (ii) 1 tick, the definition of "better price" requires price improvement of half a tick.

For example:

- if the "buy" price is $1 and the "sell" price is $1.10, the price is improved to $1.09. This is because the security is over $0.50 and the spread is more than 1 tick, and therefore the improved price is 1 tick lower (i.e. $0.01 lower); and
- if the "buy" price is $0.25 and the "sell" price is $0.255, the price is improved to $0.2525. This is because the security is under $0.50 and the spread is 1 tick, and therefore the improved price is half a tick lower (i.e. half of $0.005 lower).

In contrast, this differs from the current methodology of certain dark order types on TSX DRK, where in certain situations, orders always reprice by a full tick regardless of the size of the spread. Due to this current methodology (i.e., repricing to 1 tick regardless of the size of the spread), where the spread is 1 tick, dark orders that might trade with small orders[1] will not execute because they will not reprice. However, the Amendments propose to amend the repricing behavior of these certain order types to allow for half tick price improvements.

Similarly, the current methodology of certain dark order types on TSX DRK provides that for certain large or small orders where the spread is 2 ticks or more, execution will occur at the far side when passive. While this is permitted under section 6.6 of UMIR, we are of the view that participants may prefer that passive orders also benefit from price improvement. The Amendments also propose to amend the repricing behavior of certain dark order types to allow for 1 tick price improvements (as permitted under UMIR) where the spread is 2 ticks or more. As a result, the Amendments will aim to benefit the passive side for price improvement for certain large or small orders.

Most of the liquid symbols in Canada typically have tight spreads. Our analysis has found that approximately 85% of all dark orders on TSX DRK[2] are small orders when the spread is 1 tick. The Amendments seek to refine our dark market trading practices to better align with market needs and regulatory frameworks. By implementing half tick price improvements as proposed under the Amendments, we anticipate that the likelihood of small order interactions will increase, thereby improving execution rates and overall market liquidity.

The charts below set out an overview of the affected order types and their existing behavior on TSX DRK, and their proposed behavior under the Amendments when the spread is 1 tick.

TSX DRK

TSX DRK	**If NBBO (National Best Bid Offer) spread is 1 tick**	
	Existing Behavior	**Proposed Behavior**
	(Aggressive)	**(Aggressive)**
Small Order / Large Order	**IF NBBO is 1 tick**	**(NBBO) Rests at**
Unpegged DRK (LMT or MKT)	Reprice 1 Tick	Half tick
Market Peg	Reprice 1 Tick	Half Tick
Unpegged PDL (LMT or MKT)	Reprice 1 Tick	Half Tick
MIS/ MQTY	Reprice 1 Tick	Half Tick

The chart below sets out an overview of the affected order types and their existing behavior on TSX DRK, and their proposed behavior under the Amendments when the spread is 2 ticks or more.

TSX DRK

TSX DRK	**If NBBO (National Best Bid Offer) spread is 2 ticks or more**	
	(Aggressive)	
	Existing Behavior	**Proposed Behavior**
Small Order / Large Order	**IF NBBO is 2 ticks or more**	**(NBBO) Rests at**

[1] Section 6.6 of UMIR allows for the execution of an order with a dark order at a price other than a "better price", dependent on the volume and value of that order. Based on UMIR 6.6, for purposes of this notice a "small order" is defined as any order that is not a "large order", and a "large order" is an order (i) for more than 50 standard trading units and which has a value of more than $30,000 or (ii) which has a value of more than $100,000.

[2] All TSX DRK data combines TSX-listed and TSXV-listed issuers.

Unpegged DRK (LMT or MKT)	Far Side	Reprice 1 tick
MIS/MQTY	Far Side	Reprice 1 tick
Unpegged PDL (LMT or MKT)	Far Side	Reprice 1 tick

Please also see below for examples of the proposed repricing methodology using a PDL order with a limit price as an example.

Proposed Methodology Example 1: PDL Limit Large Order (Scenario 1 tick spread)

Protected NBBO	**NBB**	**NBBO**
	10	**10.01**
Step 1	Incoming Buy Large Order with Limit price at 10.01	
Step 2	The order on entry will sweep the dark book until 10.01 (No match)	
Step 3	The order books in the dark book at 10.005 (i.e. proposed half tick repricing)	
Step 4	Incoming Sell Large order with Limit price at 10.00	
Step 5	The order on entry will match with the booked buy order at 10.005 resulting in a trade where both orders receive price improvement	

Proposed Methodology Example 2: PDL Limit Small Order (Scenario 1 tick spread)

Protected NBBO	**NBB**	**NBBO**
	11	**11.01**
Step 1	Incoming Buy Small Order with Limit price at 11.01	
Step 2	The order on entry will sweep the dark book until 11.005 (No match)	
Step 3	The order books in the dark book at 11.005 (i.e. proposed half tick repricing)	
Step 4	Incoming Sell Small order with Limit price at 11.00	
Step 5	The order on entry will match with the booked buy order at 11.005 resulting in a trade where both orders receive price improvement	

Proposed Methodology Example 3: PDL Limit Large Order (Scenario 2 ticks spread)

Protected NBBO	**NBB**	**NBBO**
	10	**10.02**
Step 1	Incoming Buy Large Order with Limit price at 10.02	
Step 2	The order on entry will sweep the dark book until 10.02 (No match)	
Step 3	The order books in the dark book at 10.01 (i.e. proposed 1 tick repricing)	
Step 4	Incoming Sell Large order with Limit price at 10.00	
Step 5	The order on entry will match with the booked buy order at 10.01 resulting in a trade where both orders receive price improvement	

We believe the proposed structure may help increase liquidity, reduce missed trading opportunities, and ensure a steady flow of trades, especially in markets where tight spreads are common.

Given that the definition of “better price” in UMIR already allows for an order to execute with a dark order at a half-tick increment when the spread is 1 tick and at a 1 tick increment when the spread is 2 ticks or more, the Amendments do not deviate from the fundamental principles of price discovery and market fairness.

Analysis of Impact

(ii) Impact on Market

The Exchange anticipates that the Amendments will have a positive impact on the market structure, members, investors, issuers or the capital markets. The Exchange believes that the Amendments are fair and reasonable, and will not create barriers to access.

The Exchange anticipates that the Amendments will enhance market liquidity, and improve trade execution.

(iii) Impact on Compliance with Applicable Securities Law

The Amendments will not impact the Exchange's compliance with applicable securities law and in particular the requirements for fair access and maintenance of fair and orderly markets. As noted above, the Exchange is of the view that the Amendments will support the maintenance of fair and orderly markets.

(iv) Impact on Clients and Service Vendors

Clients will not be required to update their routing methodology and trading strategies to take the Amendments into account. Technical developments are not required for clients to take the Amendments into account.

Consultations undertaken in formulating the Amendments

In formulating the Amendments, the internal governance process for the Exchange was followed, which included receipt of the appropriate management-level approval, and all applicable internal groups at the Exchange were consulted.

Alternatives Considered

No alternatives were considered.

Do the Amendments currently exist in other markets or jurisdictions

The Amendments currently exist in other dark markets in Canada and are aligned with price improvement requirements under UMIR.

Timing

The Exchange intends to implement the Amendments in Q1 2025, subject to regulatory approval and client readiness.

B.11.2.3 GLMX Technologies, LLC – Application for Exemptive Relief – Notice of Commission Decision

GLMX TECHNOLOGIES, LLC

APPLICATION FOR EXEMPTIVE RELIEF

NOTICE OF COMMISSION DECISION

On December 16, 2024, the Commission issued a decision (**Decision**) under s. 15.1(1) of National Instrument 21-101 *Marketplace Operation* (**NI 21-101**), s. 12.1(1) of National Instrument 23-101 *Trading Rules* (**NI 23-101**), and s. 10(1) of National Instrument 23-103 *Electronic Trading and Direct Access to Marketplaces* (**NI 23-103** and, together with NI 21-101 and NI 23-101, the **Marketplace Rules**) exempting GLMX Technologies, LLC (**Filer**) from the application of all provisions of the Marketplace Rules in Alberta, British Columbia, Nova Scotia, Ontario and Quebec, subject to terms and conditions as set out in the Decision. The Decision revokes and varies a prior decision issued to the Filer on October 6, 2021.

The Decision is consistent with CSA Staff Notice 21-328 *Regulatory Approach to Foreign Marketplaces Trading Fixed Income Securities*[1] that outlines an exemption approach that is based on a substituted compliance model of foreign marketplace oversight.

The Decision also incorporates the Filer's relief from the dealer registration and prospectus requirements, which was granted by the Commission as principal regulator in accordance with Multilateral Instrument 11-102 *Passport System*.

A copy of the Decision is published in Chapter B.3 of this Bulletin.

[1] Published on March 5, 2020 and available at https://www.osc.gov.on.ca/en/SecuritiesLaw_csa_20200305_21-328_foreign-marketplaces-trading-fixed-income-securities.htm.

B.11.3 Clearing Agencies

B.11.3.1 CDS Clearing and Depository Services (CDS) – Proposed Material and Technical Amendments to CDS External Procedures Related to CDS Post Trade Modernization (PTM) – Revised Notice of Material & Technical Rule Submissions

REVISED NOTICE OF MATERIAL & TECHNICAL RULE SUBMISSIONS

CDS CLEARING AND DEPOSITORY SERVICES (CDS)

PROPOSED MATERIAL AND TECHNICAL AMENDMENTS TO
CDS EXTERNAL PROCEDURES RELATED TO CDS POST TRADE MODERNIZATION (PTM)

CDS has submitted to the Commission, revised proposed amendments to the CDS external procedures related to CDS PTM.

The objective of PTM is to upgrade the CDS clearing, settlement and depository platform to a more modern, flexible and supportable technology, which will allow for flexibility in building future changes and will ease future support activities.

CDS is proposing to streamline the current procedures so that there are two documents in the future state for each key function resulting in a clear distinction between procedures and users guides. Material rule changes and technical rule changes have been incorporated within the submission.

The revised notice cancels and replaces the Notice and Request for Comment on October 3rd, 2024 for the following external procedures:

- Participating in CDS Services
- Trade and Settlement Procedures

The revised proposed amendments have been posted for public comment on the CDS website. The 45 day public comment period ends on February 3, 2025.

B.11.3.2 CDS Clearing and Depository Services (CDS) – Material Amendments to CDS Risk Procedures Related to Post-Trade Modernization Project – Notice of Withdrawal

NOTICE OF WITHDRAWAL

CDS CLEARING AND DEPOSITORY SERVICES (CDS)

MATERIAL AMENDMENTS TO
CDS RISK PROCEDURES RELATED TO POST-TRADE MODERNIZATION PROJECT

In accordance with the provisions of the rule protocol between the Ontario Securities Commission ("OSC") and CDS Clearing and Depository Services Inc. ("CDS"), CDS hereby officially withdraws its submission of the material amendments to CDS Risk Procedures related to the post-trade modernization project. The proposed amendments were published on April 8, 2021.

The CDS Notice has been posted on CDS's website.

B.11.3.3 CDS Clearing and Depository Services (CDS) – Proposed Material Amendments to CDS Procedures Related to Continuous Net Settlement Supplemental Liquidity Fund Enhancement for the Continuous Net Settlement Service – Notice of Commission Approval

NOTICE OF COMMISSION APPROVAL

CDS CLEARING AND DEPOSITORY SERVICES (CDS)

PROPOSED MATERIAL AMENDMENTS TO CDS PROCEDURES RELATED TO CONTINUOUS NET SETTLEMENT SUPPLEMENTAL LIQUIDITY FUND ENHANCEMENT FOR THE CONTINUOUS NET SETTLEMENT SERVICE

In accordance with the Rule Protocol between the Ontario Securities Commission (Commission) and the CDS Clearing and Depository Services Inc. (CDS), the Commission approved on December 16, 2024 the material amendments to CDS Procedures related to Continuous Net Settlement (CNS) Supplemental Liquidity Fund (SLF) enhancement for the CNS service.

For further details, please see the Request for Comments Notice published on the **CDS website** on August 14, 2024.

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