The Ontario Securities Commission

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

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Table of Contents

Chapter 1

Notices / News Releases

1.2 Notices of Hearing

1.2.1 The Gatekeepers of Wealth and Joseph Bochner – ss. 127, 127.1

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

AND

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

AND

IN THE MATTER OF
A SETTLEMENT AGREEMENT BETWEEN
STAFF OF THE ONTARIO SECURITIES COMMISSION AND
THE GATEKEEPERS OF WEALTH INC. and JOSEPH BOCHNER

NOTICE OF HEARING
(Sections 127 and 127.1 of the Securities Act)

TAKE NOTICE that the Ontario Securities Commission will hold a hearing pursuant to sections 127 and 127.1 of the *Securities Act*, R.S.O., c. S.5, as amended, at the offices of the Commission at 20 Queen Street West, 17th Floor, Toronto, Ontario, commencing on the 17th day of August, 2015 at 9:00 a.m. or as soon thereafter as the hearing can be held;

AND TAKE NOTICE that the purpose of the hearing is for the Commission to consider whether it is in the public interest to approve the Settlement Agreement between Staff of the Commission and The Gatekeepers of Wealth Inc. and Joseph Bochner (collectively, the "Respondents") pursuant to sections 127 and 127.1 of the Act;

BY REASON OF the allegations set out in the Statement of Allegations of Staff, dated September 3, 2014, and such additional allegations as counsel may advise and the Commission may permit;

AND TAKE FURTHER NOTICE that any party to the proceeding may be represented by counsel at the hearing;

AND TAKE FURTHER NOTICE that upon failure of any party to attend at the time and place aforesaid, the hearing may proceed in the absence of that party, and such party is not entitled to any further notice of the proceedings;

AND TAKE FURTHER NOTICE that orders or settlements made by the Ontario Securities Commission may form the basis for parallel orders in other jurisdictions in Canada. The securities laws of some other Canadian jurisdictions may allow orders made in this matter to take effect in those other jurisdictions automatically, without further notice to the Respondents.

DATED at Toronto, this 14th day of August, 2015.

"Josée Turcotte"
Secretary to the Commission

1.2.2 Mortgage Company of Canada Inc. et al. – ss. 127, 127.1

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

AND

IN THE MATTER OF
MORTGAGE COMPANY OF CANADA INC., MCC ASSET MANAGEMENT INC.,
MCC MORTGAGE HOLDINGS INC., RAJ BABBER, and GREG GOUTIS

NOTICE OF HEARING
(Sections 127 and 127.1 of the Securities Act)

TAKE NOTICE that the Ontario Securities Commission (the "Commission") will hold a hearing pursuant to sections 127 and 127.1 of the *Securities Act*, R.S.O., c. S.5, as amended (the "Act"), at the offices of the Commission located at 20 Queen Street West, 20th Floor, in the City of Toronto, commencing on August 17, 2015 at 11 a.m. or as soon thereafter as the hearing can be held;

AND TAKE NOTICE that the purpose of the hearing is for the Commission to consider whether it is in the public interest to approve the Settlement Agreement dated August 14, 2015, between Staff of the Commission and Mortgage Company of Canada Inc., MCC Asset Management Inc., MCC Mortgage Holdings Inc., Raj Babber and Greg Goutis (collectively, the "Respondents");

BY REASON OF the allegations set out in the Statement of Allegations of Staff of the Commission, dated August 13, 2015 and such additional allegations as counsel may advise and the Commission may permit;

AND TAKE FURTHER NOTICE that any party to the proceedings may be represented by counsel at the hearing;

AND TAKE FURTHER NOTICE that upon failure of any party to attend at the time and place aforesaid, the hearing may proceed in the absence of that party and such party is not entitled to any further notice of the proceeding;

AND TAKE FURTHER NOTICE that orders or settlements made by the Ontario Securities Commission may form the basis for parallel orders in other jurisdictions in Canada. The securities laws of some other Canadian jurisdictions may allow orders made in this matter to take effect in those other jurisdictions automatically, without further notice to the Respondents;

AND TAKE FURTHER NOTICE that the Notice of Hearing is also available in French, participation may be in either French or English and participants must notify the Secretary's Office in writing as soon as possible, and in any event, at least thirty (30) days before a hearing if the participant is requesting a proceeding to be conducted wholly or partly in French; and

ET AVIS EST ÉGALEMENT DONNÉ PAR LA PRÉSENTE que l'avis d'audience est disponible en français, que la participation à l'audience peut se faire en français ou en anglais et que les participants doivent aviser le Bureau du secrétaire par écrit le plut tôt possible et, dans tous les cas, au moins trente (30) jours avant l'audience si le participant demande qu'une instance soit tenue entièrement ou partiellement en français.

DATED at Toronto, this 14th day of August, 2015.

"Josée Turcotte"
Secretary to the Commission

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

AND

IN THE MATTER OF
MORTGAGE COMPANY OF CANADA INC., MCC ASSET MANAGEMENT INC.,
MCC MORTGAGE HOLDINGS INC., RAJ BABBER, and GREG GOUTIS

STATEMENT OF ALLEGATIONS OF
STAFF OF THE ONTARIO SECURITIES COMMISSION

Staff of the Ontario Securities Commission ("Staff") make the following allegations:

A. OVERVIEW

1. Between November 1, 2013 and December 1, 2014 (the "**Material Time**"), Mortgage Company of Canada Inc. ("**MCOCI**"), MCC Asset Management Inc. ("**MCC**"), MCC Mortgage Holdings Inc. ("**MCCMH**"), Raj Babber ("**Babber**") and Greg Goutis ("**Goutis**") (collectively, the "**Respondents**") sold shares with a value of approximately $32,231,040 to 147 investors. The Respondents have never been registered with the Commission and were not exempt from registration. These sales were trades in securities not previously issued and were therefore distributions. The Respondents never filed a preliminary prospectus or a prospectus with the Commission, and no prospectus receipt has ever been issued to qualify the sale of these securities. For some of these trades, prospectus exemptions were not available.

2. In addition, the Respondents failed to meet their suitability obligations, and for approximately half of the investors, some or all of their investments were not suitable.

B. THE RESPONDENTS

3. MCOCI is a non-reporting issuer that was incorporated in Ontario on August 8, 2013. MCOCI is a mortgage investment corporation, as such term is defined in the *Income Tax Act*, R.S.C., 1985, c. 1, providing residential and commercial mortgages. As at December 31, 2014, MCOCI held mortgage loans valued at approximately $34.5 million invested in two hundred and sixty one (261) mortgages, secured by a mix of first and non-first residential mortgages, and one commercial mortgage.

4. Babber is the President, Chief Executive Officer and a director of MCOCI, MCC and MCCMH. He is a resident of Richmond Hill.

5. Goutis is the Chief Financial Officer and a director of MCOCI, Chief Financial Officer of MCC and a director of MCCMH. He is a resident of Toronto.

6. MCC was incorporated in Ontario on February 17, 2009 under the name "The Mortgage Company of Canada Inc." MCC is registered as a mortgage administrator under the *Mortgage Brokerages, Lenders and Administrators Act, 2006*, S.O. 2006, c. 29, and operates under the jurisdiction of the Financial Services Commission of Ontario. MCC has been in good standing under that legislation since it commenced operation in 2009. MCC changed its name to MCC Asset Management Inc. by articles of amendment dated August 8, 2013. MCC is engaged by MCOCI under a management services agreement.

7. MCCMH was incorporated in Ontario on August 8, 2013. MCCMH is retained by MCOCI to act as custodian in respect of the mortgages in MCOCI's portfolio, serving as bare trustee of the mortgages registered on title.

8. None of the Respondents has ever been registered to trade in securities in Ontario and none was registered with the Commission in any capacity during the Material Time or at any other time.

C. CONDUCT AT ISSUE

9. Prior to the Material Time, MCC arranged direct investments in mortgages on behalf of its clients and administered these mortgages. During the Material Time, the Respondents distributed securities with a value of $32,231,040 to 147 investors, as follows:

a. Effective November 1, 2013, MCOCI entered into mortgage purchase agreements with various direct mortgage investors and existing clients of MCC whereby such parties transferred to MCOCI the mortgage interests they held in exchange for redeemable common shares in the capital of MCOCI ("Common Shares"). MCOCI issued Common Shares with an aggregate value of $12,940,480 pursuant to these exchanges which included Common Shares issued on incorporation.

b. Between November 1, 2013 and December 1, 2014, MCOCI issued Common Shares having an aggregate value of $19,290,560, of which $724,040 were issued under a dividend reinvestment plan.

10. The sales of Common Shares were trades in securities not previously issued and were, therefore, distributions. The Respondents never filed a preliminary prospectus or a prospectus with the Commission and no prospectus receipt has ever been issued to qualify the sales of the Common Shares.

11. Not all of the MCOCI investors met, or could be demonstrated to have met, applicable exemptions from the prospectus requirement contained in National Instrument 45-106 *Prospectus Exemptions*.

12. In addition, the Respondents failed to meet their suitability obligations. The Respondents failed to make appropriate enquiries relating to their investors' financial circumstances and their investment needs and objectives to ensure the investments in Common Shares were suitable. For approximately half of the investors, some or all of their investments were not suitable.

13. MCOCI did not file exempt distribution reports for the distributions within the required time period.

D. BREACHES OF ONTARIO SECURITIES LAW AND CONDUCT CONTRARY TO THE PUBLIC INTEREST

14. The Respondents have breached Ontario securities law and engaged in conduct contrary to the public interest. In particular:

a. MCOCI failed to file the requisite exempt distribution reports and pay the associated fees for over a year;

b. The Respondents traded and engaged in, or held themselves out as engaging in, the business of trading in securities without being registered to do so in circumstances in which no exemption was available, contrary to subsection 25(1) of the Act;

c. The Respondents distributed securities where no preliminary prospectus and prospectus were issued or receipted by the Director under the Act, and where exemptions were not available, contrary to section 53 of the Act; and

d. Babber and Goutis, as directors and officers of MCOCI, MCC and MCCMH, authorized, permitted or acquiesced in the breaches by MCOCI, MCC and MCCMH of sections 25 and 53 of the Act, as set out above, and, in so doing, are deemed to have not complied with Ontario securities laws, pursuant to section 129.2 of the Act.

15. Staff reserve the right to make such other allegations as Staff may advise and the Commission may permit.

DATED at Toronto, August 13, 2015.

1.4 Notices from the Office of the Secretary

1.4.1 The Gatekeepers of Wealth and Joseph Bochner

FOR IMMEDIATE RELEASE
August 14, 2015

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

AND

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

AND

IN THE MATTER OF
A SETTLEMENT AGREEMENT BETWEEN
STAFF OF THE ONTARIO SECURITIES COMMISSION
AND THE GATEKEEPERS OF WEALTH INC.
and JOSEPH BOCHNER

TORONTO – The Office of the Secretary issued a Notice of Hearing for a hearing to consider whether it is in the public interest to approve a settlement agreement entered into by Staff of the Commission and the Respondents in the above named matter.

The hearing will be held on August 17, 2015 at 9:00 a.m. on the 17th floor of the Commission's offices located at 20 Queen Street West, Toronto.

A copy of the Notice of Hearing dated August 14, 2015 is available at www.osc.gov.on.ca.

OFFICE OF THE SECRETARY
JOSÉE TURCOTTE
SECRETARY

For media inquiries:

media_inquiries@osc.gov.on.ca

For investor inquiries:

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

1.4.2 Mortgage Company of Canada Inc. et al.

FOR IMMEDIATE RELEASE
August 14, 2015

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

AND

IN THE MATTER OF
MORTGAGE COMPANY OF CANADA INC.,
MCC ASSET MANAGEMENT INC.,
MCC MORTGAGE HOLDINGS INC.,
RAJ BABBER, and GREG GOUTIS

TORONTO – The Office of the Secretary issued a Notice of Hearing for a hearing to consider whether it is in the public interest to approve a settlement agreement entered into by Staff of the Commission and the Respondents in the above named matter.

The hearing will be held on August 17, 2015 at 11:00 a.m. on the 17th floor of the Commission's offices located at 20 Queen Street West, Toronto.

A copy of the Notice of Hearing dated August 14, 2015 and Statement of Allegations of Staff of the Ontario Securities Commission dated August 13, 2015 are available at www.osc.gov.on.ca.

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1.4.3 The Gatekeepers of Wealth and Joseph Bochner

FOR IMMEDIATE RELEASE
August 17, 2015

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

AND

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

AND

IN THE MATTER OF
A SETTLEMENT AGREEMENT BETWEEN
STAFF OF THE ONTARIO SECURITIES COMMISSION
AND THE GATEKEEPERS OF WEALTH INC.
and JOSEPH BOCHNER

TORONTO – The Commission issued an Order in the above named matter approving the Settlement Agreement reached between Staff of the Commission and the Respondents.

A copy of the Order dated August 17, 2015 and Settlement Agreement dated July 28, 2015 are available at www.osc.gov.on.ca.

OFFICE OF THE SECRETARY
JOSÉE TURCOTTE
SECRETARY

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1.4.4 Mortgage Company of Canada Inc. et al.

FOR IMMEDIATE RELEASE
August 17, 2015

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

AND

IN THE MATTER OF
MORTGAGE COMPANY OF CANADA INC.,
MCC ASSET MANAGEMENT INC.,
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RAJ BABBER, and GREG GOUTIS

TORONTO – The Commission issued an Order in the above named matter approving the Settlement Agreement reached between Staff of the Commission and the Respondents.

A copy of the Order dated August 17, 2015 and Settlement Agreement dated August 14, 2015 are available at www.osc.gov.on.ca.

OFFICE OF THE SECRETARY
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1-877-785-1555 (Toll Free)

Chapter 2

Decisions, Orders and Rulings

2.1 Decisions

2.1.1 Groupe Bikini Village inc.

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Subsection 1(10) of the Securities Act – Application by a reporting issuer for an order that it is not a reporting issuer. The Applicant is in default of its obligation to file and deliver its interim financial statements and its management discussion and analysis in respect of such statements for the year ended January 31, 2015, as required under National Instrument 51-102 – Continuous Disclosure Obligations and the related certificates as required under National Instrument 52-109 – Certification of Disclosure in Issuers' Annual and Interim Filings.

Applicable Legislative Provisions

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

Translation

August 5, 2015

IN THE MATTER OF
THE SECURITIES LEGISLATION OF
QUEBEC, ALBERTA, BRITISH COLUMBIA AND ONTARIO
(the "Jurisdictions")

AND

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

AND

IN THE MATTER OF
GROUPE BIKINI VILLAGE INC.
("GBV" or the "Filer")

DECISION

Background

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

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

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

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

Interpretation

Terms defined in 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 was incorporated pursuant to the *Canada Business Corporations Act* under the name 87718 Canada Ltd., by way of articles of incorporation dated July 24, 1978. Since then, the articles of the Filer were amended on several occasions, including to change its name to Groupe Bikini Village inc. on November 4, 2005.

2. The head office of the Filer is located at 2101-A, Nobel Street, Sainte-Julie, Québec, J3E 1Z8.

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

4. As of December 11, 2014, the only securities issued and outstanding of the Filer were 1,912,230 common shares.

5. On February 17, 2015, the Filer filed a notice of intention to make a proposal to its creditors under the *Bankruptcy and Insolvency Act* (the "**BIA**").

6. On March 24, 2015, GBV announced that it had accepted an offer from Boutique La Vie en Rose Inc. ("**LVER**") to purchase substantially all of GBV's assets. Such transaction was authorized by the Québec Superior Court (the "**Court**") on March 26, 2015 and closed on March 31, 2015.

7. On April 30, 2015, the Filer submitted its proposal under the BIA (the "**Proposal**"), which was approved by its creditors in accordance with the statutory required majorities under the BIA on May 14, 2015 and approved by the Court on May 15, 2015.

8. On May 15, 2015, the Filer filed articles of amendment with Industry Canada (the "**Articles of Amendment**") and was issued a Certificate of Amendment on that same date. As a result, all outstanding common shares of GBV were re-designated as redeemable common shares and a new category of common shares was created.

9. On May 28, 2015, LVER subscribed for one (1) common share in the capital of GBV for $1.00. In accordance with the Articles of Amendment and the Proposal, upon the issue of the common share to LVER, all outstanding redeemable common shares were redeemed by GBV for nil consideration. As a result, GBV is now a wholly-owned subsidiary of LVER with only one (1) common share held by LVER is outstanding.

10. Prior to their redemption, GBV's former common shares were listed on the TSX Venture Exchange and were delisted effective at the close of business on June 22, 2015.

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

12. 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.

13. The Filer is applying for a decision that it is not a reporting issuer in all of the Jurisdictions.

14. The Filer is not in default of any of its obligations as a reporting issuer under the Legislation, except for the failure to have filed: (a) its annual audited financial statements, its annual management discussion and analysis and its annual certificates for the year ended January 31, 2015, as required under sections 4.1, 4.2 and 5.1 of National Instrument 51-102 *Continuous Disclosure Obligations* ("**NI 51-102**"), and section 4.1 of National Instrument 52-109 *Certification of Disclosure in Issuers' Annual and Interim Filings* ("**NI 52-109**"), and (b) its interim financial report, its interim management discussion and analysis and its interim certificates for the period ended April 30, 2015, as required under sections 4.3, 4.4 and 5.1 of NI 51-102, and section 5.1 of NI 52-109.

15. The Filer has no current intention to distribute its securities by way of a public or private offering of securities in any Jurisdiction of Canada.

16. The Filer is not eligible to use the simplified procedure under CSA Staff Notice 12-307 – *Applications for a Decision that an Issuer is not a Reporting Issuer* because it is in default of its obligations as a reporting issuer under the Legislation, as mentioned in paragraph 14, and because it is a reporting issuer in British Columbia.

17. The Filer did not voluntarily surrender its status as a reporting issuer in British Columbia pursuant to British Columbia Instrument 11-502 *Voluntary Surrender of Reporting Issuer Status* because it chose to avoid the 10-day waiting period under that instrument.

18. Upon the grant of the Decision Sought, the Filer will no longer be a reporting issuer or the equivalent in any jurisdiction in Canada.

Decision

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

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

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

2.1.2 Legacy Oil + Gas Inc. – s. 1(10)(a)(ii)

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Issuer deemed to no longer be a reporting issuer under securities legislation.

Applicable Legislative Provisions

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

Citation: Re Legacy Oil + Gas Inc., 2015 ABASC 798

August 6, 2015

Norton Rose Fulbright LLP
3700, 400 - 3 Avenue SW
Calgary, AB T2P 4H2

Attention: Nathan Hillier

Dear Sir:

Re: Legacy Oil + Gas Inc. (the Applicant) – Application for a decision under the securities legislation of Alberta, Saskatchewan, Manitoba, Ontario, Québec, Nova Scotia, New Brunswick, Prince Edward Island and Newfoundland and Labrador (the Jurisdictions) that the Applicant is not a reporting issuer

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

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

The Applicant has represented to the Decision Makers that:

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

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

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

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

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

"Denise Weeres"
Manager, Legal
Corporate Finance

2.1.3 Revett Mining Company, Inc. – s. 1(10)(a)(ii)

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Issuer deemed to no longer be a reporting issuer under securities legislation.

Applicable Legislative Provisions

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

August 12, 2015

Revett Mining Company, Inc.
c/o Andrew Spencer
Cassels Brock & Blackwell LLP
885 West Georgia Street
HSBC Building, Suite 2200
Vancouver, British Columbia
V6C 3E8

Dear Sir:

Re: Revett Mining Company, Inc. (the Applicant) – application for a decision under the securities legislation of Ontario, Alberta, Manitoba, New Brunswick, Nova Scotia, Prince Edward Island, Quebec, Saskatchewan and Newfoundland and Labrador (the Jurisdictions) that the Applicant is not a reporting issuer

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

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

The Applicant has represented to the Decision Makers that:

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

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

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

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

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

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

2.1.4 Mackenzie Financial Corporation et al.

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – relief granted from section 2.5 of NI 81-102 Investment Funds to permit funds to invest in underling fund of funds – relief needed to facilitate "cloning" structure in which corporate class fund replicates performance of mutual fund trusts that invests in underlying mutual funds – each top fund to invest substantially all of its assets in corresponding intermediate trust fund – name of corporate class to correspond to name of intermediate fund, and top fund investment objectives to include name of intermediate fund and make reference to cloning strategy – fund of fund investing by top funds to otherwise comply with fund of fund restrictions in section 2.5 of NI 81-102.

Applicable Legislative Provisions

National Instrument 81-102 Investment Funds, ss. 2.5(2)(b), 19.1.

July 31, 2015

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

AND

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

AND

IN THE MATTER OF
MACKENZIE FINANCIAL CORPORATION
(the Filer)

AND

IN THE MATTER OF
SYMMETRY BALANCED PORTFOLIO CLASS, SYMMETRY CONSERVATIVE INCOME PORTFOLIO CLASS, SYMMETRY CONSERVATIVE PORTFOLIO CLASS, SYMMETRY GROWTH PORTFOLIO CLASS, SYMMETRY MODERATE GROWTH PORTFOLIO CLASS
(the Existing Top Funds)

DECISION

Background

The principal regulator in the Jurisdiction has received an application from the Filer on behalf of the Existing Top Funds and any future similar mutual funds created and managed by the Filer under the "Symmetry" brand name (the **Future Top Funds** and together with the Existing Top Funds the **Top Funds**) for a decision (the **Exemption Sought)** under the securities legislation of the Jurisdiction (the **Legislation**) pursuant to section 19.1 of National Instrument 81-102 *Investment Funds* (**NI 81-102**) exempting the Top Funds from paragraph 2.5(2)(b) of NI 81-102 to permit each Top Fund to invest in securities of another mutual fund that is subject to NI 81-102 and managed by the Filer (each an "**Intermediate Fund**"), notwithstanding that at the time of investment an Intermediate Fund holds more than 10% of its net asset value in securities of one or more other mutual funds that are subject to NI 81-102 and managed by the Filer (each an "**Underlying Fund**").

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

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

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

Interpretation

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

Representations

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

1. The Filer is registered as an investment fund manager, portfolio manager, exempt market dealer and commodity trading manager in the Province of Ontario. The Filer is also registered as a portfolio manager and exempt market dealer in all other provinces and territories of Canada and as an investment fund manager in the Provinces of Newfoundland and Labrador and Québec.

2. The Filer is, or will be, the manager and portfolio manager of each of the Top Funds, Intermediate Funds and Underlying Funds.

3. The Filer is not in default of securities legislation in any of the Jurisdictions.

4. Each Top Fund is or will be a class of shares of a mutual fund corporation, each Intermediate Fund is or will be an open-end mutual fund trust that has been created under the laws of the Province of Ontario and each Underlying Fund is, or will be,

either a class of shares of a mutual fund corporation or a unit trust, which in either case will comprise an open-end mutual fund.

5. Each Top Fund, Intermediate Fund and Underlying Fund is, or will be, a reporting issuer under the laws of some or all of the provinces and territories of Canada and subject to NI 81-102. The securities of each Top Fund and each Intermediate Fund are, or will be, qualified for distribution in the Jurisdictions pursuant to simplified prospectuses and annual information forms and filed in the accordance with National Instrument 81-101 – *Mutual Fund Prospectus Disclosure* (**NI 81-101**). Each Underlying Fund (i) distributes or will distribute securities pursuant to a simplified prospectus and annual information form prepared in accordance with NI 81-101, or (ii) files an annual information form pursuant to the requirements of Part 9 of National Instrument 81-106 – *Investment Fund Continuous Disclosure* (**NI 81-106**).

6. The investment objectives and investment strategies of each Top Fund permit, or will permit, it to hold substantially all of its net asset value directly in one or more other mutual funds.

7. The investment objectives and investment strategies of each Intermediate Fund permit it to hold substantially all of its net asset value directly in one or more Underlying Funds. Each Intermediate Fund may also invest directly in other portfolio securities.

8. Each Underlying Fund primarily invests directly in a portfolio of securities and/or other assets.

9. No Top Fund, Intermediate Fund or Underlying Fund is in default of securities legislation in any of the Jurisdictions.

Three-Tier Fund Structure

10. Each Top Fund seeks, or will seek, to provide a return that is similar to its corresponding Intermediate Fund. The investment objectives of each Top Fund are, or will be, substantially similar or identical to the investment objectives of the corresponding Intermediate Fund.

11. Currently, each Existing Top Fund obtains equity exposure by investing directly in Underlying Funds and obtains fixed-income exposure by investing directly in Intermediate Funds that employ character conversion transactions in order to obtain tax-efficient exposure to Underlying Funds. However, these character conversion transactions will expire in October 2015.

12. Following the expiration of the aforementioned character conversion transactions, each Existing Fund could continue to obtain equity exposure by investing directly in Underlying Funds and could begin to obtain fixed-income exposure by investing directly in other Underlying Funds. However, the Filer has determined that it is better for each Top Fund to achieve its investment objectives by investing substantially all of its assets in securities of its corresponding Intermediate Fund, for the following reasons:

    i. This arrangement will be somewhat more tax efficient for the Top Fund. This is important because the Top Funds are, or will be, designed to be held in taxable accounts, whereas the Intermediate Funds are designed to be held in registered accounts, and

    ii. This arrangement will reduce tracking error between a Top Fund and the corresponding Intermediate Fund, since any adjustments made by an Intermediate Fund to its portfolio of Underlying Funds will automatically adjust the exposure of the corresponding Top Fund to those Underlying Funds.

13. Accordingly, the Filer wishes to provide each Top Fund with the ability to invest in the corresponding Intermediate Fund, notwithstanding that the Intermediate Fund has invested 10% or more of its net asset value in securities of one or more Underlying Funds.

14. The Filer has confirmed that the underlying portfolio exposure of the Existing Funds following implementation of the Exemption Sought will be substantially similar to the current portfolio exposure of the Existing Funds.

15. The Filer will clarify the investment objectives of each Top Fund to include the name of the corresponding Intermediate Fund in which the particular Top Fund will invest.

16. A Top Fund's investment in securities of its corresponding Intermediate Fund will otherwise be made in accordance with the requirements of section 2.5 of NI 81-102.

17. The simplified prospectus of each Top Fund will disclose (i) in the investment objective, the name of the applicable Intermediate Fund that the Top Fund will invest in and (ii) in the investment strategies, the investment strategies of the Intermediate Fund. The Fund Facts of each Top Fund will include similar disclosure.

18. The simplified prospectus of each Top Fund and each Intermediate Fund will disclosure that there will be no duplication of fees and expenses as a result of its investment in other investment funds.

19. Each Top Fund will comply with the requirement under NI 81-106 relating to the top 25 positions portfolio holdings disclosure in its management reports of fund performance and the requirements of Form 81-101F3 – *Contents of Fund Facts Document* relating to top 10 position portfolio holdings disclosure in its Fund Facts as if the Top Fund were investing directly in the Underlying Funds held by its Intermediate Fund.

20. The Exemption Sought will result in a fund of fund structure that is akin to, and no more complex than, the three-tier structure currently permitted under subsection 2.5(4)(a) of NI 81-102.

21. An investment by a Top Fund in its applicable Intermediate Fund and by an Intermediate Fund in its applicable Underlying Funds represents the business judgement of responsible persons of the Top Funds and Intermediate Funds, uninfluenced by considerations other than the best interests of the Top Fund(s) and Intermediate Fund(s), respectively.

22. The Filer has determined that it would be in the best interest of the Top Funds to receive 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:

(a) the proposed investment of each Top Fund in its corresponding Intermediate Fund is otherwise made in compliance with all other requirements of section 2.5 of NI 81-102, and

(b) the investment objectives of each Top Fund as stated in the simplified prospectus and Fund Facts states the name of the Intermediate Fund in which the Top Fund invests.

"Darren McKall"
Manager,
Investment Funds and Structured Products Branch
Ontario Securities Commission

2.1.5 Aspenleaf Energy Limited (formerly Arcan Resources Ltd.)

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – issuer deemed to be no longer a reporting issuer under securities legislation.

Applicable Legislative Provisions

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

Citation: Re Aspenleaf Energy Limited, 2015 ABASC 819

August 7, 2015

IN THE MATTER OF
THE SECURITIES LEGISLATION OF
ALBERTA, SASKATCHEWAN, MANITOBA, ONTARIO,
NEW BRUNSWICK, PRINCE EDWARD ISLAND,
NOVA SCOTIA, AND
NEWFOUNDLAND AND LABRADOR
(THE JURISDICTIONS)

AND

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

AND

IN THE MATTER OF
ASPENLEAF ENERGY LIMITED
(FORMERLY ARCAN RESOURCES LTD.)
(THE FILER)

DECISION

Background

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

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

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

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

Interpretation

Terms defined in National Instrument 14-101 *Definitions* 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. Aspenleaf Energy Limited (**Aspenleaf**) was incorporated under the *Business Corporations Act* (Alberta) (**ABCA**) on November 8, 2013. Pursuant to a plan of arrangement (the Arrangement) under Section 193 of the *Business Corporations Act* (Alberta) (**ABCA**), Aspenleaf acquired all of the issued and outstanding common shares of Arcan Resources Ltd. (**Arcan**), and the two entities subsequently amalgamated (the **Amalgamation**). The Filer is the company resulting from the Amalgamation.

2. The Filer's head office is located in Calgary, Alberta.

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

4. The Arrangement was approved by the shareholders (the **Shareholders**) of Arcan at a special meeting of Shareholders held on June 2, 2015, and received final court approval on June 2, 2015.

5. Pursuant to the Arrangement, among other things, (i) each issued and outstanding share of Arcan (the **Arcan Common Shares**) was acquired by Aspenleaf at a price of $0.11 per share in cash; and (ii) Aspenleaf and Arcan amalgamated under the ABCA.

6. The Arcan Common Shares were delisted from the TSX Venture Exchange at the close of business on June 8, 2015.

7. 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 *Market Operation* or any other facility for bringing together buyers and sellers of securities where trading data is publically reported.

8. The outstanding securities of the Filer, including debt securities, are beneficially owned, directly or indirectly, by 16 securityholders in the Province of Alberta, fewer than 15 securityholders in in each of the remaining jurisdictions in Canada and fewer than 51 securityholders in total worldwide.

9. The Filer is not in default of any of its obligations under the Legislation as a reporting issuer.

10. The Filer filed a notice with the British Columbia Securities Commission pursuant to British Columbia Instrument 11-502 *Voluntary Surrender of Reporting Issuer Status* (the **BC Instrument**) and has been notified that its non-reporting issuer status in British Columbia is effective as of June 29, 2015.

11. The Filer has no current intention to seek public financing by way of an offering of securities in Canada or to list securities on any marketplace in Canada.

12. The Filer is not eligible to use the simplified procedure under CSA Staff Notice 12-307 *Applications for a Decision that an Issuer is not a Reporting Issuer* in order to apply for the Exemptive Relief Sought because its outstanding securities, including debt securities, are beneficially owned, directly or indirectly, by 16 securityholders in the Province of Alberta.

13. Prior to the Amalgamation, Aspenleaf was a "private issuer" as defined in section 2.4 of National Instrument 45-106 *Prospectus Exemptions*. The Filer has the same securityholders following the Amalgamation as Aspenleaf had prior to the Arrangement.

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

Decision

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

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

"Denise Weeres"
Manager, Legal, Corporate Finance

2.1.6 Coalspur Mines Limited – s. 1(10)(a)(ii)

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Issuer deemed to no longer be a reporting issuer under securities legislation.

Applicable Legislative Provisions

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

Citation: Re Coalspur Mines Limited, 2015 ABASC 826

August 11, 2015

McCarthy Tetrault LLP
Suite 1300, 777 Dunsmuir Street
P.O. Box 10424, Pacific Centre
Vancouver, BC V7Y 1K2

Attention: Fleur Heck

Dear Ms. Heck:

Re: Coalspur Mines Limited (the Applicant) – Application for a decision under the securities legislation of Alberta, Saskatchewan, Manitoba, Ontario, New Brunswick, Prince Edward Island, Nova Scotia and Newfoundland and Labrador (the Jurisdictions) that the Applicant is not a reporting issuer

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

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

The Applicant has represented to the Decision Makers that:

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

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

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

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

Each of the Decision Makers is satisfied that the test contained in the Legislation that provides the Decision Maker with the jurisdiction to make the decision has been met and orders that the Applicant is deemed to have ceased to be a reporting issuer.

"Jonathan Taylor"
Manager, CD Compliance & Market Analysis
Corporate Finance

2.1.7 Fiera Capital Corporation and Fiera Capital Funds Inc.

Headnote

National Policy 11-203 – Process for Exemptive Relief Applications in Multiple Jurisdictions – Relief from the requirement in s.3.2(2), NI 81-101 to deliver a fund facts document to investors for subsequent purchases of mutual fund securities made pursuant to pre-authorized investment plans, subject to certain conditions.

Applicable Legislative Provisions

National Instrument 81-101 Mutual Fund Prospectus Disclosure, ss. 3.2(2), 6.1.

August 14, 2015

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
FIERA CAPITAL CORPORATION
(THE FILER)

AND

IN THE MATTER OF
FIERA CAPITAL FUNDS INC.
(THE REPRESENTATIVE DEALER)

DECISION

Background

The principal regulator in the Jurisdiction (as defined below) has received an application from the Filer on behalf of the mutual funds that are or will be managed from time to time by the Filer or by an affiliate or successor of the Filer (the **Funds**) for a decision under the securities legislation of the Jurisdiction of the principal regulator (the **Legislation**) that the requirement in the Legislation to send or deliver the most recently filed fund facts document (**Fund Facts**) at the same time and the same manner as otherwise required for the Prospectus (the **Fund Facts Delivery Requirement)** not apply in respect of purchases and sales of securities of the Funds pursuant to a pre-authorized investment plan, including employee purchase plans, capital accumulation plans, or any other contracts or arrangements for the purchase of a specified amount on a dollar or percentage basis of securities of the Funds on a regularly scheduled basis (each an **Investment Plan**) (the **Exemption Sought**).

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

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

(b) the Filer has provided notice that section 4.7(1) of Multilateral Instrument 11-102 *Passport System* (**MI 11-102**) is intended to be relied upon in British Columbia, Alberta, Saskatchewan, Manitoba, New Brunswick, Nova Scotia, Prince Edward Island, Newfoundland and Labrador, Yukon, Northwest Territories and Nunavut (together 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 Filer:

1. The head office of the Filer is located in Québec. The exemption is not being sought in Québec and, as a result, the Filer has determined that Ontario is the jurisdiction where the Filer has the most significant connection because either the Filer has operations in Ontario or because Ontario is the Jurisdiction with the most securityholders in the Filer's Funds (after Québec).

2. The Funds are, or will be, reporting issuers in one or more of the Jurisdictions. Securities of the Funds are, or will be, qualified for sale on a continuous basis pursuant to a simplified prospectus.

3. Neither the Filer nor any of the Funds is in default of any of the requirements of securities legislation in any Jurisdiction.

4. Securities of each Fund are, or will be, distributed through dealers which may or may not be affiliated with the Filer (individually, each dealer that distributes securities of a Fund managed by the Filer is a "**Dealer**" and collectively, the "**Dealers**").

5. Each Dealer is, or will be, registered as a dealer in one or more of the Jurisdictions.

6. Securities of the existing Funds may be purchased through the Representative Dealer.

7. Each of the investors may be offered the opportunity to invest in a Fund on a regular or periodic basis pursuant to an Investment Plan.

8. Under the terms of an Investment Plan, an investor instructs a Dealer to accept additional contributions on a pre-determined frequency and/or periodic basis and to apply such contributions on each scheduled investment date to additional investments in specified Funds. The investor authorizes a Dealer to debit a specified account or otherwise makes funds available in the amount of the additional contributions. An investor may terminate the instructions, or give amended instructions, at any time.

9. An agreement of purchase and sale of mutual fund securities is not binding on the purchaser if a Dealer receives notice of the intention of the purchaser not to be bound by the agreement of purchase and sale within a specified time period.

10. The terms of an Investment Plan are such that a Participant can terminate the instructions to the Dealer at any time. Therefore, there is no agreement of purchase and sale until a scheduled investment date arrives and the instructions have not been terminated. At this point, the securities are purchased.

11. Prior to June 13, 2014, an investor who established an Investment Plan (a **Participant**) received a copy of the latest simplified prospectus relating to the relevant securities of the Fund at the time an Investment Plan was established.

12. With the implementation, on June 13, 2014, of the amendments to N1 81-101 and consequential amendments as described in *Stage 2 of Point of Sale Disclosure for Mutual Funds – Delivery of Fund Facts* ("**Stage 2 POS**"), Dealers must deliver the Fund Facts in lieu of delivering the simplified prospectus to all investors, including the Participants, pursuant to the Fund Facts Delivery Requirement.

13. Prior to June 13, 2014, a Dealer not acting as an agent for the applicable investor was obligated to send or deliver to all Participants who purchased securities of the Funds pursuant to an Investment Plan, the latest simplified prospectus of the applicable Funds at the time the investor entered into the Investment Plan and thereafter, any subsequent simplified prospectus or amendment thereto (a "**Renewal Prospectus**").

14. Pursuant to the Fund Facts Delivery Requirement, a Dealer not acting as agent of the purchaser, who receives an order or subscription for a security of a Fund offered in a distribution to which the Legislation applies, must, unless it has previously done so, send to the Purchaser the Fund Facts most recently filed either before entering into an agreement of purchase and sale resulting from the order or subscription or not later than midnight of the second day, exclusive of Saturdays, Sundays and holidays, after entering into such agreement.

15. The Filer obtained exemptive relief in the Jurisdictions ("**PAC Relief**") (pursuant to the decision document dated March 12, 2004) from the requirement to deliver the Renewal Prospectus of the Funds to Participants in an Investment Plan unless the Participant asks to receive them.

16. Due to the wording in the PAC Relief, it may not be possible or appropriate to "read in" Fund Facts in place of references to the simplified prospectus in the PAC Relief. Therefore, the Exemption Sought is required in order to provide certainty as to the disclosure document that must be delivered to Participants.

17. The Filer obtained exemptive relief from the requirement to deliver the Renewal Prospectus in Québec by way of a blanket order on June 16, 2006 (decision nº 2006-PDG-0022) (the "**Prospectus Blanket Order**").

18. As the PAC Relief is unable to be used on or after June 13, 2014, since this date, the Fund Facts Delivery Requirement obligated each Dealer to deliver the Fund Facts to any new or existing Participant in an Investment Plan.

19. There are approximately 100 Participants who purchased securities of the Funds, outside of Québec, under an Investment Plan since June 13, 2014.

20. During the period between June 13, 2014 and August 28, 2014, the most recently filed Fund Facts of each Fund was dated May 13, 2014 (the "**May 2014 Fund Facts**"). On August 28, 2014, the Filer renewed the prospectus in respect of each Fund, including the Fund Facts (the "**August 2014 Fund Facts**"). On May 22, 2015, the Filer amended its simplified prospectus, annual information form and related Fund Facts dated August 28, 2014 in respect of Fiera Capital Defensive U.S. Equity Fund and the Fiera Capital Defensive Global Equity Fund as of June 1, 2015 (the "**May 2015 Fund Facts**"). As a result, the most recently filed Fund Facts during the period between May 22, 2015 (being the date of the receipt of the amendment) and the date of this Decision are the August 2014 Fund Facts and the May 2015 Fund Facts (for the Fiera Capital Defensive U.S. Equity Fund and the Fiera Capital Defensive Global Equity Fund).

21. It is likely that any investor who became a Participant between June 13, 2014 and the date of this Decision (a "**New Participant**") would have received a copy of the most recently filed Fund Facts (being the May 2014 Fund Facts, the August 2014 Fund Facts or the May 2015 Fund Facts) from the investor's Dealer at the time of initial investment, in compliance with the Dealer's obligation under the Fund Facts Delivery Requirement.

22. To the extent that a New Participant made a subsequent purchase of securities of a Fund under the Investment Plan following June 13, 2014, it is likely that such investor would not have received a copy of either the August 2014 Fund Facts or the May 2015 Fund Facts (each, a "**Renewal Fund Facts**") from their Dealer (unless the initial Fund Facts a New Participant received was itself one of the Renewal Fund Facts).

23. Similarly to the Prospectus Blanket Order, the Filer obtained the Exemption Sought in Québec by way of a blanket order on May 13, 2014 (decision nº 2014-PDG-0052) (the "**Fund Facts Blanket Order**").

24. Therefore, at the time a New Participant established an Investment Plan, the Dealers have provided such a Participant with a copy of the most recently filed Fund Facts (either the May 2104 Fund Facts, the August 2014 Fund Facts or the May 2015 Fund Facts) relating to the relevant securities of the Fund together with a notice containing the disclosure requirements of the Fund Facts Blanket Order.

25. The disclosure requirements of the Fund Facts Blanket Order are similar to the conditions imposed in prior decisions granting the Exemption Sought and are essentially as follows:

    (a) that Participants may request the Fund Facts from the Filer by calling a toll- free number, by e-mail or by facsimile, and the Filer will send the Fund Facts to any Participant that requests it at no cost to the Participant;

    (b) that the most recently filed Fund Facts and any amendment thereto may be found either on the SEDAR website or on the Filer's website;

    (c) that Participants have the right to withdraw from their initial agreement of purchase and sale within two (2) days following receipt of the Fund Facts, but that they will not have the right to withdraw from an agreement of purchase and sale in respect of a purchase pursuant to an Investment Plan;

    (d) that Participants will have the right of rescission in the event (without prejudice to their right of action for damages) any Fund Facts contains a misrepresentation, whether or not they request a copy of the Fund Facts; and

    (e) that they will continue to have the right to terminate the Investment Plan at any time before a scheduled investment date.

26. Although the Fund Facts Delivery Requirement may not have been complied with in all respects, the requirements of the Fund Facts Blanket Order, which are similar to the conditions imposed in prior decisions granting the Exemption

Sought, have been complied with and, therefore, Participants have not been prejudiced by the failure to be sent or delivered the most recently filed Fund Facts.

27. It is likely that any investor who was a Participant in an Investment Plan established prior to June 13, 2014 (a "**Current Participant**") did not receive the August 2014 Fund Facts or a May 2015 Fund Facts from their Dealer and so would not have been sent or delivered the most recently filed Fund Facts for any investment in a Fund made following June 13, 2014.

28. To ensure that all Participants, outside Québec, have received the most recently filed Fund Facts, the Filer will send or deliver the August 2014 Fund Facts and the May 2015 Fund Facts or the August 2015 Fund Facts to all investors who are Participants outside of Québec as of the date of this Decision, together with a notice advising the Participants of the information described in condition 1 below.

29. The proposed amendments to NI 81-101 and consequential amendments as described in *Stage 3 of Point of Sale Disclosure for Mutual Funds – Point of Sale Delivery of Fund Facts*, and published for comment on March 26, 2014, contemplated an exception from the Fund Facts Delivery Requirement for Investment Plans (the "**Proposed Exception**").

30. The Canadian Securities Administrators have published final amendments to implement the Proposed Exception which will come into force in May 2016. The Filer would like the Investment Plans to continue to operate in the same manner and using the same process as the existing regime under the PAC Relief with the exception of the delivery of a Fund Facts to a Participant instead of a simplified prospectus until such time as the Proposed Exception comes into force.

Decision

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

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

1. A one-time notice is sent or delivered to Current Participants, no later than the next scheduled annual reminder notice required by the Filer's current PAC Relief, in lieu of receiving a Fund Facts for any purchase of securities under the Investment Plan, advising the Current Participants:

    (a) that they will not receive the Fund Facts when they purchase securities of the applicable Fund under the Investment Plan unless

        (i) the Participant requests the Fund Facts; or

        (ii) the Participant has previously instructed that they want to receive the simplified prospectus, in which case, the Fund Facts will now be sent or delivered in lieu of the simplified prospectus;

    (b) that they may request the most recently filed Fund Facts by calling a specified toll-free number or by sending a request vial mail or email to a specified address or email address;

    (c) that the most recently filed Fund Facts will be sent or delivered to any Participant that requests it at no cost to the Participant;

    (d) that the most recently filed Fund Facts may be found either on the SEDAR website or on the Filer's website;

    (e) that they will not have the right to withdraw from an agreement of purchase and sale (a **Withdrawal Right**) in respect of a purchase of securities of any Funds made pursuant to an Investment Plan, but they will have the right of action for damages or rescission in the event any Fund Facts or document incorporated by reference into any Renewal Prospectus contains a misrepresentation (a **Misrepresentation Right**), whether or not they request a copy of the Fund Facts; and

    (f) that they will continue to have the right to terminate the Investment Plan at any time before a scheduled investment date.

2. Investors who become Participants and invest in any Funds on or after the date of this Decision will be sent or delivered the most recently filed Fund Facts and a one-time notice advising the Participants:

(a) they will not receive the Fund Facts when they subsequently purchase securities of the applicable Fund under the Investment Plan unless they request the Fund Facts at the time they initially invest in an Investment Plan or subsequently request the Fund Facts by calling a specified toll-free number or by sending a request via mail or email to a specified address or email address;

(b) that the most recently filed Fund Facts will be sent or delivered to any Participant that requests it at no cost to the Participant;

(c) that the most recently filed Fund Facts may be found either on the SEDAR website or on the Filer's website;

(d) that they will not have a Withdrawal Right in respect of a purchase made pursuant to an Investment Plan, other than in respect of the initial purchase and sale, but they will have a Misrepresentation Right, whether or not they request the Fund Facts ; and

(e) that they have the right to terminate an Investment Plan at any time before a scheduled investment date.

3. Following either 1 or 2 above, Participants will be advised annually in writing as to how they can request a current Fund Facts and that they have a Misrepresentation Right.

The decision, as it relates to a Jurisdiction, will terminate on the effective date following any applicable transition period for any legislation or rule dealing with the Proposed Exception.

"Vera Nunes"
Manager, Investment Funds and Structured Products Branch
Ontario Securities Commission

2.1.8 Middlefield Limited and Middlefield Capital Corporation

Headnote

National Policy 11-203 Process for Exemptive Relief Applications in Multiple Jurisdictions – Relief granted from conflict of interest reporting requirements in subsection 117(1)(3) of the Securities Act (Ontario) for transactions involving related parties of a mutual fund – monthly reporting with respect to purchases and sales effected by the funds through related persons or companies to the funds not required – funds are subject to NI 81-106 which requires substantially similar disclosure.

Applicable Legislative Provisions

Securities Act (Ontario), s. 117(1)(3).

Citation: Re Middlefield Limited, 2015 ABASC 763

June 30, 2015

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

AND

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

AND

IN THE MATTER OF
MIDDLEFIELD LIMITED (MIDDLEFIELD) AND
MIDDLEFIELD CAPITAL CORPORATION (MCC)
(the Filers)

DECISION

Background

The securities regulatory authority or regulator in each of the Jurisdictions (the **Decision Makers**) has received an application from the Filers for a decision (the **Exemption Sought**) under the securities legislation of the Jurisdictions (the **Legislation**) exempting MCC and each Other Related Dealer (as defined below) from the requirements under section 191(1)(c) of the *Securities Act* (Alberta) and paragraph 117(1) 3. of the *Securities Act* (Ontario) to file, with respect to purchases and sales effected by the Funds (as defined below) through MCC or any Other Related Dealer, reports in connection with such transactions (the **Reporting Requirement**).

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

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

(b) the Filers have provided notice that section 4.7(1) of Multilateral Instrument 11-102 *Passport System* (**MI 11-102**) is intended to be relied upon in British Columbia, Saskatchewan, New Brunswick, Newfoundland and Labrador and Nova Scotia; and

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

Interpretation

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

"management company" has the same meaning as ascribed in the Legislation.

"Middlefield Group" means Middlefield and its affiliates from time to time.

"Fund" means an investment fund managed by Middlefield or a member of the Middlefield Group from time to time.

"NI 81-106" means National Instrument 81-106 *Investment Fund Continuous Disclosure*.

"related person or company" has the same meaning as ascribed in the Legislation.

Representations

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

1. Middlefield is a corporation subsisting under the laws of Alberta and having its head office in Calgary, Alberta. It is registered as an investment fund manager in Alberta, Ontario, Quebec and Newfoundland and Labrador.

2. Any representation herein relating to any future Fund (**Future Fund**) is made as of the time the Future Fund relies on the Exemption Sought.

3. The existing Funds (**Existing Funds**) are, and any Future Funds will be, either open-ended investment trusts or mutual fund corporations, or closed-end investment trusts or corporations, in each case governed under the laws of a jurisdiction of Canada. The Existing Funds are, and any Future Funds will be, reporting issuers in one or more jurisdictions of Canada and accordingly are or will be subject to the requirements of NI 81-106 and National Instrument 81-107 *Independent Review Committee for Investment Funds*.

4. MCC is a corporation established under the laws of Canada and is registered as an investment dealer (securities, options and managed accounts) in Alberta, Ontario and Nova Scotia. MCC, in its capacity as portfolio advisor to the Existing Funds and as investment advisor to any Future Funds, should it be so appointed, provides and will provide investment advice to each such Fund under an advisor contract and is and will be a management company for each such Fund.

5. As of the date hereof, none of Middlefield, MCC or the Funds are in default of securities legislation in any jurisdiction.

6. MCC is with respect to each of the Existing Funds, and may be with respect to one or more of the Future Funds, a related person or company.

7. Middlefield or another member of the Middlefield Group may from time to time on behalf of one or more of the Funds enter into investment advisor arrangements with one or more dealers and any such dealer may be a related person or company (each an **Other Related Dealer**) with respect to one or more of the Funds, pursuant to arrangements similar to the investment advisor arrangement between MCC and the Existing Funds.

8. Absent the Exemption Sought, purchases and sales effected by the Funds through MCC or an Other Related Dealer would give rise to the Reporting Requirement.

9. It is costly and time-consuming to comply with the Reporting Requirement.

10. NI 81-106 requires the Funds to prepare and file annual and interim management reports of fund performance that include a discussion of transactions involving related parties to the Funds. Such disclosure is similar to that required under the Reporting Requirement.

Decision

The decision of the Decision Makers under the Legislation is that the Exemption Sought is granted in respect of a Fund provided that:

(a) the annual and interim management reports of fund performance for the Fund disclose all of the following:

  (i) the name of each related person or company to which fees were paid and the amount of fees paid to each related person or company;

  (ii) the person or company who paid the fees, if they were not paid by the fund; and

(b) the records of portfolio transactions maintained by the Fund include, separately for every portfolio transaction effected by the Fund through either MCC or an Other Related Dealer, all of the following:

(i) the name of each related person or company to which fees were paid and the amount of fees paid to each related person or company;

(ii) the person or company who paid the fees.

"Denise Weeres"
Manager, Legal
Corporate Finance

2.2 Orders

2.2.1 BMO Low Volatility International Equity ETF et al. – s. 1.1

Headnote

Certain mutual funds designated as exchange-traded funds for the purposes of OSC Rule 48-501.

Rules Cited

Ontario Securities Commission Rule 48-501 Trading During Distributions, Formal Bids and Share Exchange Transactions, s. 1.1.

IN THE MATTER OF
ONTARIO SECURITIES COMMISSION RULE 48-501 – TRADING DURING DISTRIBUTIONS,
FORMAL BIDS AND SHARE EXCHANGE TRANSACTIONS
(Rule)

AND

IN THE MATTER OF
BMO LOW VOLATILITY INTERNATIONAL EQUITY ETF,
BMO EUROPE HIGH DIVIDEND COVERED CALL HEDGED TO CAD ETF,
BMO US PUT WRITE ETF,
BMO INTERNATIONAL DIVIDEND HEDGED TO CAD ETF
(and collectively, the Funds)

DESIGNATION ORDER
(Section 1.1)

WHEREAS each of the Funds is or will be listed on the Toronto Stock Exchange;

AND WHEREAS under the Universal Market Integrity Rules (UMIR), each Fund is an Exempt Exchange-traded Fund that is not subject to prohibitions related to trading during certain securities transactions;

AND WHEREAS the definition of "exchange-traded fund" in the Rule is substantially similar to the definition of Exempt Exchange-traded Fund in UMIR;

AND WHEREAS the purpose of the Rule and UMIR are substantially similar;

AND WHEREAS each Fund would be subject to prohibitions relating to trading during certain securities transactions under the Rule if it is not designated by the Director;

THE DIRECTOR HEREBY DESIGNATES each of the Funds as an exchange-traded fund for the purposes of the Rule.

DATED August 5, 2015

"Tracey Stern"
Manager, Market Regulation

2.2.2 Crystallex International Corporation and Computershare Trust Company of Canada – s. 144

Headnote

Application by Trustee for a variation of a cease trade order issued by the Commission – cease trade order issued because the issuer had failed to file certain continuous disclosure materials required by Ontario securities law – variation will permit all holders to trade certain notes of the issuer if the trade is to certain institutional investors and subject to certain other conditions.

Applicable Legislative Provisions

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

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

AND

IN THE MATTER OF
CRYSTALLEX INTERNATIONAL CORPORATION ("CRYSTALLEX") AND
COMPUTERSHARE TRUST COMPANY OF CANADA
IN ITS CAPACITY AS TRUSTEE UNDER THE TRUST INDENTURE
DATED AS OF DECEMBER 23, 2004, AS SUPPLEMENTED BY A
FIRST SUPPLEMENTAL TRUST INDENTURE DATED AS OF DECEMBER 23, 2004
(THE "APPLICANT")

ORDER
(Section 144(1) of the Act)

WHEREAS the Ontario Securities Commission (the "**Commission**") issued an order on April 13, 2012, under paragraph 2 of subsection 127(1) and subsection 127(5) of the Act, ordering that trading in the securities of Crystallex, whether direct or indirect, cease temporarily;

AND WHEREAS the Commission issued a further order dated April 25, 2012, pursuant to paragraph 2 of subsection 127(1) ordering that trading in the securities of Crystallex, whether direct or indirect, shall cease until revoked by further order (the "**Cease Trade Order**");

AND WHEREAS the Applicant has made an application to the Commission pursuant to section 144(1) of the Act to vary the Cease Trade Order;

AND WHEREAS the Applicant has represented to the Commission that:

1. Cease trade orders with respect to the securities of Crystallex have also been issued by the British Columbia Securities Commission on or about April 16, 2012 (as amended on or about April 18, 2012), the Autorité des marchés financiers of Quebec on or about May 8, 2012 and the Manitoba Securities Commission on or about July 9, 2012.

2. None of Crystallex's securities are currently listed or traded on any recognized exchange in Canada.

3. Crystallex is the subject of a Court-supervised restructuring under the *Companies' Creditors Arrangement Act* (Canada) (the "**CCAA Proceedings**") and a proceeding under the U.S. *Bankruptcy Code*.

4. On July 17, 2015, notice that the Applicant had applied for this Order was provided to Ernst & Young Inc. in its capacity as Monitor in the CCAA Proceedings (the "**Monitor**"). As of the date of this Order, the Applicant had not received any objection or comment from the Monitor.

5. The Applicant is a trust company existing under the laws of Canada with a registered office located at 100 University Avenue, 11th Floor, Toronto, Ontario, M5J 2Y1 and trustee under that certain trust indenture dated as of December 23, 2004, as supplemented by a first supplemental trust indenture dated as of December 23, 2004, pursuant to which Crystallex issued certain senior unsecured notes in the principal amount of U.S. $100,000,000 bearing interest at 9.375% per annum due December 23, 2011 (the "**Notes**").

6. To the Applicant's knowledge, Crystallex's securities are not subject to cease trade orders in the United States or in other jurisdictions outside of Canada.

7. To the Applicant's knowledge, a significant amount of the Notes are beneficially owned by investment funds who invest in securities of issuers in bankruptcy or restructuring proceedings.

8. The Applicant is seeking a variation of the Cease Trade Order under section 144(1) of the Act to permit certain trades in the Notes on the terms specified herein.

AND UPON the Commission being satisfied that it is not prejudicial to the public interest to vary the Cease Trade Order under section 144(1) of the Act.

IT IS ORDERED that, pursuant to section 144(1) of the Act, the Cease Trade Order be varied by including the following section:

"This Order does not apply to a trade of the senior unsecured notes issued by Crystallex International Corporation ("**Crystallex**") in the principal amount of U.S. $100,000,000 bearing interest at 9.375% per annum due December 23, 2011 (the "**Notes**"):

(a) by a person or company who is:

(i) not an insider or control person of Crystallex; and

(ii) a Specified Entity (as defined below),

to a Specified Entity; or

(b) by a person or company who is:

(i) not an insider or control person of Crystallex; and

(ii) not a Specified Entity,

to a Specified Entity who is not an insider or control person of Crystallex,

provided that prior to such trade either:

(c) the purchaser receives a copy of this Order and provides a written acknowledgment to the seller that the Notes remain subject to this Order in accordance with its terms following such trade; or

(d) Computershare Trust Company of Canada or its agent shall have issued a press release disclosing the terms of this Order and the Monitor shall have posted a copy of this Order on its website, in which case the purchaser shall be deemed to have received notification of the terms of this Order and is deemed to have acknowledged to the seller that the Notes remain subject to this Order in accordance with its terms following such trade.

For the purposes of this Order, a "**Specified Entity**" means a person or company who is:

(A) registered under the securities legislation of a jurisdiction of Canada as an adviser, investment dealer, mutual fund dealer or exempt market dealer;

(B) an entity organized in a foreign jurisdiction that is analogous to an entity referred to in paragraph (A);

(C) acting on behalf of a managed account managed by the person or company, if the person or company is registered or authorized to carry on business as an adviser or the equivalent under the securities legislation of a jurisdiction of Canada or a foreign jurisdiction; or

(D) an investment fund if one or both of the following apply:

(I) the fund is managed by a person or company registered as an investment fund manager under the securities legislation of a jurisdiction of Canada;

(II) the fund is advised by a person or company authorized to act as an adviser under the securities legislation of a jurisdiction of Canada or a foreign jurisdiction."

DATED at Toronto this 13th day of August, 2015.

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

2.2.3 Authorization Order – s. 3.5(3)

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

AND

IN THE MATTER OF
AN AUTHORIZATION PURSUANT TO SUBSECTION 3.5(3) OF THE ACT

AUTHORIZATION ORDER
(Subsection 3.5(3))

WHEREAS a quorum of the Ontario Securities Commission (the "Commission") may, pursuant to subsection 3.5(3) of the Act, in writing authorize any member of the Commission to exercise any of the powers and perform any of the duties of the Commission, including the power to conduct contested hearings on the merits.

AND WHEREAS, by an authorization order made on April 21, 2015, pursuant to subsection 3.5(3) of the Act ("Authorization"), the Commission authorized each of HOWARD I. WETSTON, MONICA KOWAL, JAMES D. CARNWATH, MARY G. CONDON, EDWARD P. KERWIN, ALAN J. LENCZNER, TIMOTHY MOSELEY, and CHRISTOPHER PORTNER acting alone, to exercise, subject to subsection 3.5(4) of the Act, the powers of the Commission to grant adjournments and set dates for hearings, to hear and determine procedural matters, and to make and give any orders, directions, appointments, applications and consents under sections 5, 11, 12, 17, 19, 20, 122, 126, 127, 128, 129, 144, 146 and 152 of the Act that the Commission is authorized to make and give, including the power to conduct contested hearings on the merits.

NOW, THEREFORE, IT IS ORDERED that the Authorization is hereby revoked;

THE COMMISSION HEREBY AUTHORIZES, pursuant to subsection 3.5(3) of the Act, each of HOWARD I. WETSTON, MONICA KOWAL, MARY G. CONDON, EDWARD P. KERWIN, JANET LEIPER, ALAN J. LENCZNER, TIMOTHY MOSELEY, and CHRISTOPHER PORTNER acting alone, to exercise, subject to subsection 3.5(4) of the Act, the powers of the Commission to grant adjournments and set dates for hearings, to hear and determine procedural matters, and to make and give any orders, directions, appointments, applications and consents under sections 5, 11, 12, 17, 19, 20, 122, 126, 127, 128, 129, 144, 146 and 152 of the Act that the Commission is authorized to make and give, including the power to conduct contested hearings on the merits; and

THE COMMISSION FURTHER ORDERS that this Authorization Order shall have full force and effect until revoked or such further amendment may be made.

DATED at Toronto, this 14th day of August, 2015.

"Deborah Leckman"
Deborah Leckman, Commissioner

"Edward P. Kerwin"
Edward P. Kerwin, Commissioner

2.2.4 Saputo Inc. – s. 104(2)(c)

Headnote

Subsection 104(2)(c) of the Act – Issuer bid – relief from issuer bid requirements in sections 94 to 94.8 and 97 to 98.7 of the Act – Issuer proposes to purchase, at a discounted purchase price, from two of its shareholders an aggregate of up to 2,075,000 of its common shares – due to the discounted purchase price, proposed purchases cannot be made through the TSX trading system – but for the fact that the proposed purchases cannot be made through the TSX trading system, the Issuer could otherwise acquire the subject shares in reliance upon the issuer bid exemption available under section 101.2 of the Act and in accordance with the TSX rules governing normal course issuer bid purchases – the selling shareholders did not purchase the subject shares in anticipation or contemplation of resale to the Issuer and has not, for a minimum of 30 days prior to the date of the application seeking the requested relief, purchased common shares of the Issuer in anticipation or contemplation of a sale of common shares to the Issuer – no adverse economic impact on, or prejudice to, the Issuer or public shareholders – proposed purchases exempt from the issuer bid requirements in sections 94 to 94.8 and 97 to 98.7 of the Act, subject to conditions, including that the Issuer not purchase, in the aggregate, more than one-third of the maximum number of shares to be purchased under its normal course issuer bid by way of off-exchange block purchases, and that the Issuer not make any proposed purchase unless it has first obtained written confirmation from each selling shareholder that between the date of the order and the date on which the proposed purchase is completed, neither selling shareholder has purchased, had purchased on its behalf, or otherwise accumulated, any common shares of the Issuer to re-establish its, or the other selling shareholder's, holdings of common shares which will have been reduced as a result of the sale of the subject shares pursuant to the proposed purchases.

Applicable Legislative Provisions

Securities Act, R.S.O. 1990, c. S.5, as am., ss. 94 to 94.8, 97 to 98.7, 104(2)(c).

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

AND

IN THE MATTER OF
SAPUTO INC.

ORDER
(Clause 104(2)(c))

UPON the application (the "**Application**") of Saputo Inc. (the "**Issuer**") to the Ontario Securities Commission (the "**Commission**") for an order pursuant to clause 104(2)(c) of the *Securities Act* (Ontario) (the "**Act**") exempting the Issuer from the requirements of sections 94 to 94.8, inclusive, and 97 to 98.7, inclusive, of the Act (the "**Issuer Bid Requirements**") in respect of the proposed purchases by the Issuer of up to 2,075,000 common shares in the capital of the Issuer (collectively, the "**Subject Shares**") in one or more trades with Bank of Montreal and/or BMO Nesbitt Burns Inc. (each a "**Selling Shareholder**" and together, the "**Selling Shareholders**");

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

AND UPON the Issuer (and each Selling Shareholder in respect of paragraphs 5, 6, 7, 8, 9, 10, 13, 24 and 25, as they relate to such Selling Shareholder) having represented to the Commission that:

1. The Issuer is a corporation governed by the *Canada Business Corporations Act*.

2. The head office and registered office of the Issuer is located at 6869, Métropolitain Boulevard East, Saint-Léonard, Québec, H1P 1X8.

3. The Issuer is a reporting issuer in each of the provinces and territories of Canada and the common shares of the Issuer (the "**Common Shares**") are listed for trading on the Toronto Stock Exchange (the "**TSX**") under the symbol "SAP". The Issuer is not in default of any requirement of the securities legislation in the jurisdictions in which it is a reporting issuer.

4. The authorized share capital of the Issuer consists of (i) an unlimited number of Common Shares, of which 392,896,129 Common Shares were issued and outstanding as of July 28, 2015, and (ii) an unlimited number of Preferred Shares, none of which are currently issued and outstanding.

5. The corporate headquarters of each of the Selling Shareholders is located in the Province of Ontario. The Selling Shareholders are affiliates of each other.

6. Neither Selling Shareholder, directly or indirectly, owns more than 5% of the issued and outstanding Common Shares.

7. The Bank of Montreal is the beneficial owner of at least 435,000 Common Shares and BMO Nesbitt Burns Inc. is the beneficial owner of at least 1,640,000 Common Shares. None of the Subject Shares were acquired by, or on behalf of, either of the Selling Shareholders in anticipation or contemplation of resale by either of the Selling Shareholders to the Issuer.

8. The Subject Shares are held by the Selling Shareholders in connection with arrangements to hedge client transactions in respect of the Common Shares. Between the date of this Order and the date on which a Proposed Purchase (as defined below) is to be completed, neither Selling Shareholder will purchase, have purchased on its behalf, or otherwise accumulate, any Common Shares to re-establish its, or the other Selling Shareholder's, holdings of Common Shares which will have been reduced as a result of the sale of the Subject Shares pursuant to the Proposed Purchases.

9. No Common Shares were purchased by, or on behalf of, either of the Selling Shareholders on or after June 29, 2015, being the date that was 30 days prior to the date of the Application, in anticipation or contemplation of a sale of Common Shares by either of the Selling Shareholders to the Issuer.

10. Each Selling Shareholder is at arm's length to the Issuer and is not an "insider" of the Issuer, an "associate" of an "insider" of the Issuer, or an "associate" or "affiliate" of the Issuer, as such terms are defined in the Act. Each Selling Shareholder is an "accredited investor" within the meaning of National Instrument 45-106 *Prospectus Exemptions*.

11. On November 6, 2014, the Issuer announced a normal course issuer bid (the "**Normal Course Issuer Bid**") to purchase up to 19,532,686 Common Shares (representing approximately 5% of the Issuer's "public float" as of the date specified in the Notice (as defined below)) during the period from November 17, 2014 to November 16, 2015 pursuant to the terms of a "Notice of Intention to Make a Normal Course Issuer Bid" (the "**Notice**") submitted to, and accepted by, the TSX. The Notice contemplates that purchases under the Normal Course Issuer Bid may be made by such other means as may be permitted by the TSX or a securities regulatory authority, in accordance with sections 628 to 629.3 of Part VI of the TSX Company Manual (the "**TSX NCIB Rules**"), including by private agreements under an issuer bid exemption order issued by a securities regulatory authority at a purchase price which is at a discount to the prevailing market price for the Common Shares.

12. The Issuer implemented an automatic share purchase plan ("**ASPP**") to permit the Issuer to make purchases under its Normal Course Issuer Bid at such times when the Issuer would not be permitted to trade in the Common Shares during internal blackout periods, including regularly scheduled quarterly blackout periods. The ASPP has been pre-cleared by the TSX, and complies with the TSX NCIB Rules, applicable securities laws and this Order. Under the ASPP, at times it is not subject to blackout restrictions the Issuer may, but is not required to, instruct the designated broker to make purchases under its Normal Course Issuer Bid in accordance with the terms of the ASPP. Such purchases will be determined by the broker in its sole discretion based on parameters established by the Issuer prior to any blackout period in accordance with TSX rules, applicable securities laws (including this Order) and the terms of the agreement between the broker and the Issuer.

13. The Issuer intends to enter into one or more agreements of purchase and sale with each Selling Shareholder (each an "**Agreement**"), pursuant to which the Issuer will agree to purchase Subject Shares from the applicable Selling Shareholder by way of one or more purchases, each occurring by November 16, 2015 (each such purchase, a "**Proposed Purchase**") for a purchase price that will be negotiated at arm's length between the Issuer and the applicable Selling Shareholder (each such price, a "**Purchase Price**" in respect of such Proposed Purchase). The Purchase Price will, in each case, be at a discount to the prevailing market price and below the prevailing bid-ask price for the Common Shares on the TSX at the time of the relevant Proposed Purchase.

14. The Subject Shares acquired under each Proposed Purchase will constitute a "block" as that term is defined in section 628 of the TSX NCIB Rules.

15. The purchase of any of the Subject Shares by the Issuer pursuant to an Agreement will constitute an "issuer bid" for the purposes of the Act, to which the applicable Issuer Bid Requirements would apply.

16. Because the Purchase Price will, in each case, be at a discount to the prevailing market price and below the bid-ask price for the Common Shares on the TSX at the time of the relevant Proposed Purchase, none of the Proposed Purchases can be made through the TSX trading system and, therefore, will not occur "through the facilities" of the

TSX. As a result, the Issuer will be unable to acquire Subject Shares from the Selling Shareholders in reliance upon the exemption from the Issuer Bid Requirements that is available pursuant to subsection 101.2(1) of the Act.

17. But for the fact that the Purchase Price will be at a discount to the prevailing market price and below the bid-ask price for the Common Shares on the TSX at the time of the relevant Proposed Purchase, the Issuer could otherwise acquire the applicable Subject Shares on the TSX as a "block purchase" (a "**Block Purchase**") in accordance with the block purchase exception in paragraph 629(l)7 of the TSX NCIB Rules and the exemption from the Issuer Bid Requirements that is available pursuant to subsection 101.2(1) of the Act.

18. The sale of any of the Subject Shares to the Issuer will not be a "distribution" (as defined in the Act).

19. For each Proposed Purchase, the Issuer will be able to acquire the applicable Subject Shares from the applicable Selling Shareholder without the Issuer being subject to the dealer registration requirements of the Act.

20. Management of the Issuer is of the view that through the Proposed Purchase(s), the Issuer will be able to purchase the Subject Shares at a lower price than the price at which it would otherwise be able to purchase Common Shares under the Normal Course Issuer Bid through the facilities of the TSX and management of the Issuer is of the view that this is an appropriate use of the Issuer's funds.

21. The purchase of the Subject Shares will not adversely affect the Issuer or the rights of any of the Issuer's security holders and it will not materially affect the control of the Issuer. To the knowledge of the Issuer, the Proposed Purchases will not prejudice the ability of other security holders of the Issuer to otherwise sell Common Shares in the open market at the then-prevailing market price. The Proposed Purchases will be carried out at minimal cost to the Issuer.

22. To the best of the Issuer's knowledge, as of July 28, 2015, the "public float" of the Common Shares represented more than 65% of all issued and outstanding Common Shares for purposes of the TSX NCIB Rules.

23. The Common Shares are "highly liquid securities" within the meaning of section 1.1 of OSC Rule 48-501 *Trading during Distributions, Formal Bids and Share Exchange Transactions* and section 1.1 of the Universal Market Integrity Rules.

24. Other than the Purchase Price, no fee or other consideration will be paid in connection with the Proposed Purchases.

25. At the time that each Agreement is entered into by the Issuer and the applicable Selling Shareholder and at the time of each Proposed Purchase, neither the Issuer, nor any member of the Trading Products Group of either Selling Shareholder, nor any personnel of the Selling Shareholders that negotiated the Agreement or made, participated in the making of, or provided advice in connection with, the decision to enter into the Agreement and sell the Subject Shares, will be aware of any "material change" or any "material fact" (each as defined in the Act) in respect of the Issuer that has not been generally disclosed.

26. The Issuer will not make any Proposed Purchase unless it has first obtained confirmation in writing from each Selling Shareholder that between the date of this Order and the date on which a Proposed Purchase is to be completed, neither Selling Shareholder has purchased, had purchased on its behalf, or otherwise accumulated any Common Shares to re-establish its, or the other Selling Shareholder's, holdings of Common Shares which will have been reduced as a result of the sale of the Subject Shares pursuant to the Proposed Purchases.

27. The Issuer will not purchase, pursuant to private agreements under issuer bid exemption orders issued by securities regulatory authorities (each, an "**Off-Exchange Block Purchase**"), in aggregate, more than one-third of the maximum number of Common Shares that the Issuer can purchase under its Normal Course Issuer Bid, such one-third being equal to 6,510,895 Common Shares as of the date of this Order.

28. The Issuer will not purchase Common Shares pursuant to the Proposed Purchases during designated blackout periods administered in accordance with the Issuer's corporate policies.

29. Assuming completion of the purchase of the maximum number of Subject Shares, being 2,075,000 Common Shares, the Issuer will have purchased under the Normal Course Issuer Bid an aggregate of 2,075,000 Common Shares pursuant to Off-Exchange Block Purchases, representing approximately 10.6% of the maximum of 19,532,686 Common Shares authorized to be purchased under the Normal Course Issuer Bid.

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

IT IS ORDERED pursuant to clause 104(2)(c) of the Act that the Issuer be exempt from the Issuer Bid Requirements in connection with the Proposed Purchases, provided that:

(a) the Proposed Purchases will be taken into account by the Issuer when calculating the maximum annual aggregate limit that is imposed upon the Issuer's Normal Course Issuer Bid in accordance with the TSX NCIB Rules;

(b) the Issuer will refrain from conducting either a Block Purchase in accordance with the TSX NCIB Rules, or another Off-Exchange Block Purchase, during the calendar week in which it completes a Proposed Purchase and will not make any further purchases under its Normal Course Issuer Bid for the remainder of the calendar day on which it completes a Proposed Purchase;

(c) the Purchase Price in respect of each Proposed Purchase will be at a discount to the last "independent trade" (as that term is used in paragraph 629(l)1 of the TSX NCIB Rules) of a board lot of Common Shares immediately prior to the execution of such Proposed Purchase;

(d) the Issuer will otherwise acquire any additional Common Shares pursuant to its Normal Course Issuer Bid in accordance with the Notice and the TSX NCIB Rules, including by means of open market transactions and by such other means as may be permitted by the TSX, and, subject to condition (i) below, by Off-Exchange Block Purchases;

(e) immediately following each Proposed Purchase of Subject Shares from a Selling Shareholder, the Issuer will report the purchase of such Subject Shares to the TSX;

(f) at the time that each Agreement is entered into by the Issuer and the applicable Selling Shareholder and at the time of each Proposed Purchase, neither the Issuer, nor any member of the Trading Products Group of either Selling Shareholder, nor any personnel of the Selling Shareholders that negotiated the Agreement or made, participated in the making of, or provided advice in connection with, the decision to enter into the Agreement and sell the Subject Shares, will be aware of any "material change" or "material fact" (each as defined in the Act) in respect of the Issuer that has not been generally disclosed;

(g) in advance of the first Proposed Purchase, the Issuer will issue a press release disclosing (i) its intention to make the Proposed Purchases, and (ii) that information regarding each Proposed Purchase, including the number of Common Shares purchased and the aggregate Purchase Price, will be available on the System for Electronic Document Analysis and Retrieval (SEDAR) following the completion of each such purchase;

(h) the Issuer will report information regarding each Proposed Purchase, including the number of Subject Shares purchased and the aggregate Purchase Price, on SEDAR before 5:00 p.m. (Toronto time) on the business day following such purchase;

(i) the Issuer does not purchase, pursuant to Off-Exchange Block Purchases, in the aggregate more than one-third of the maximum number of Common Shares the Issuer can purchase under its Normal Course Issuer Bid, such one third being equal to, as of the date of this Order, 6,510,895 Common Shares; and

(j) the Issuer will not make any Proposed Purchase unless it has first obtained confirmation in writing from each Selling Shareholder that between the date of this Order and the date on which a Proposed Purchase is to be completed, neither Selling Shareholder has purchased, had purchased on its behalf, or otherwise accumulated, any Common Shares to re-establish its, or the other Selling Shareholder's, holdings of Common Shares which will have been reduced as a result of the sale of the Subject Shares pursuant to the Proposed Purchases.

Dated at Toronto this 14th day of August, 2015.

"Edward P. Kerwin"
Commissioner
Ontario Securities Commission

"Deborah Leckman"
Commissioner
Ontario Securities Commission

2.3 Orders with Related Settlement Agreements

2.3.1 The Gatekeepers of Wealth and Joseph Bochner – ss. 127(1), 127.1

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

AND

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

AND

IN THE MATTER OF
A SETTLEMENT AGREEMENT BETWEEN
STAFF OF THE ONTARIO SECURITIES COMMISSION AND
THE GATEKEEPERS OF WEALTH INC. and JOSEPH BOCHNER

ORDER
(Subsections 127(1) and 127.1)

WHEREAS on September 3, 2014, the Ontario Securities Commission (the "Commission") issued a Notice of Hearing pursuant to subsections 127(1) and 127.1 of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "Act") to consider whether it is in the public interest to make orders, as specified therein, against and in respect of The Gatekeepers of Wealth Inc. ("Gatekeepers"), and Joseph Bochner ("Bochner") (collectively, the "Respondents"). The Notice of Hearing was issued in connection with the allegations as set out in the Statement of Allegations of Staff of the Commission ("Staff") dated September 3, 2014;

AND WHEREAS the Respondents entered into a Settlement Agreement with Staff dated July 28, 2015 (the "Settlement Agreement") in which the Respondents agreed to a proposed settlement of the proceeding commenced by the Notice of Hearing dated September 3, 2014, subject to the approval of the Commission;

AND WHEREAS on August 14, 2015, the Commission issued a Notice of Hearing pursuant to section 127 of the Act to announce that it proposed to hold a hearing to consider whether it is in the public interest to approve a settlement agreement entered into between Staff and the Respondents;

AND UPON reviewing the Settlement Agreement, the Notices of Hearing, and the Statement of Allegations of Staff, and upon hearing submissions from counsel for the Respondents and from Staff;

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

IT IS HEREBY ORDERED THAT:

1. the Settlement Agreement is approved;

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

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

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

5. the Respondents be reprimanded, pursuant to paragraph 6 of subsection 127(1) of the Act;

6. Bochner resign all positions that he holds as a director or officer of an issuer, pursuant to paragraph 7 of subsection 127(1) of the Act;

7. Bochner resign all positions that he holds as a director or officer of a registrant, pursuant to paragraph 8.1 of subsection 127(1) of the Act;

8. Bochner resign all positions that he holds as a director or officer of an investment fund manager, pursuant to paragraph 8.3 of subsection 127(1) of the Act

9. Bochner is prohibited from becoming or acting as a director or officer of any issuer permanently, pursuant to paragraph 8 of subsection 127(1) of the Act

10. Bochner is prohibited from becoming or acting as a director or officer of any registrant permanently, pursuant to paragraph 8.2 of subsection 127(1) of the Act;

11. Bochner is prohibited from becoming or acting as a director or officer of any investment fund manager permanently, pursuant to paragraph 8.4 of subsection 127(1) of the Act;

12. the Respondents are prohibited from becoming or acting as a registrant, as an investment fund manager or as a promoter permanently, pursuant to paragraph 8.5 of subsection 127(1) of the Act;

13. the Respondents pay an administrative penalty on a joint and several basis in the amount of $50,000, which shall be designated for allocation or for use by the Commission in accordance with subsections 3.4(2)(b)(i) or (ii) of the Act, pursuant to paragraph 9 of subsection 127(1) of the Act;

14. the Respondents disgorge to the Commission the amount of $75,824 on a joint and several basis, which shall be designated for allocation or for use by the Commission in accordance with subsections 3.4(2)(b)(i) or (ii) of the Act, pursuant to paragraph 10 of subsection 127(1) of the Act;

15. the Respondents shall pay costs on a joint and several basis in the amount of $10,000, pursuant to section 127.1 of the Act;

16. Bochner's right to (i) call at any residence for the purpose of trading in securities, or (ii) telephone from within Ontario to any residence within or outside Ontario for the purpose of trading in securities, is cancelled, pursuant to subsection 37(1) of the Act;

17. In regards of the payments ordered above in paragraphs 13, 14, and 15, Bochner shall personally make payments as follows:

    a. $10,000 by certified cheque or bank draft when the Commission approves this Settlement Agreement;

    b. a further $75,824 by August 31, 2015; and

    c. the remaining $50,000 by December 31, 2015.

    DATED at Toronto, this 17th day of August, 2015.

"Mary G. Condon"

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

AND

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

AND

IN THE MATTER OF
A SETTLEMENT AGREEMENT BETWEEN
STAFF OF THE ONTARIO SECURITIES COMMISSION AND
THE GATEKEEPERS OF WEALTH INC. and JOSEPH BOCHNER

SETTLEMENT AGREEMENT

PART I – INTRODUCTION

1. The Ontario Securities Commission (the "Commission") will issue a Notice of Hearing to announce that it will hold a hearing to consider whether, pursuant to sections 127 and 127.1 of the *Securities Act*, R.S.O. 1990, c. S-5, as amended (the "Act"), it is in the public interest for the Commission to make certain orders in respect of The Gatekeepers of Wealth Inc. ("Gatekeepers"), and Joseph Bochner ("Bochner") (collectively, the "Respondents").

PART II – JOINT SETTLEMENT RECOMMENDATION

2. Staff of the Commission ("Staff") agree to recommend settlement of the proceeding commenced by Notice of Hearing dated September 3, 2014 (the "Proceeding") against the Respondents according to the terms and conditions set out in Part VI of this Settlement Agreement. The Respondents agree to the making of an order in the form attached as Schedule "A", based on the facts set out below.

3. For the purposes of this proceeding, and any other regulatory proceeding commenced by a securities regulatory authority, the Respondents agree with the facts as set out in Part III and the conclusion in Part IV of this Settlement Agreement. The Respondents expressly deny that this Settlement Agreement is intended to be an admission of civil liability to any person, and the Respondents expressly deny such liability.

PART III – AGREED FACTS

A. OVERVIEW

4. Between September 21, 2006 and May 30, 2013, (the "Relevant Period"), the Respondents (1) traded and advised in securities without being registered, and (2) committed securities fraud. As a result, during the Relevant Period, the Respondents received in excess of $160,000 in advisory fees, and at least nine investors were defrauded of over $220,000.

5. Bochner also misled Staff during Staff's investigation of this matter.

B. BACKGROUND

6. Gatekeepers is an Ontario corporation that has its registered office in Toronto, Ontario.

7. Bochner is a resident of Toronto, Ontario. Bochner is the directing mind of Gatekeepers. Bochner is the Secretary and President and a Director of Gatekeepers.

C. UNREGISTERED TRADING AND ADVISING

8. During the Relevant Period, none of the Respondents were registered in any capacity with the Commission.

9. During the Relevant Period, the Respondents held themselves out as engaging in the business of advising with respect to investing or buying securities without registration. Among other things, from or in Ontario the Respondents spoke to or met with individual investors and provided advice to them including the Respondents' opinion on the wisdom or the desirability of investing in the individual investor's specific investments. The Respondents also emailed advice to these

individual investors. The Respondents also spoke with and advised investment representatives managing the portfolios of some of these investors. Some of these investors were charged by the Respondents a fee for this investment advice of approximately $2,000 to $2,600 per year, and, in at least one instance, $10,000 per year. These fees added to in excess of $160,000 during the Relevant Period.

10. During the Relevant Period, the Respondents participated in acts, solicitations, conduct, or negotiations, directly or indirectly, in furtherance of the sale or disposition of securities for valuable consideration, in circumstances where there were no exemptions available to the Respondents under the Act. Among other things, the Respondents from Ontario advised and solicited a number of individuals to provide their money to Gatekeepers on the promise that the money would be used to purchase securities on their behalf. As a result, the Respondents received in excess of $220,000 of investor funds.

D. FRAUDULENT CONDUCT

11. During the Relevant Period, in or from Ontario, the Respondents advised and solicited a number of individuals with respect to securities; and, in doing so, the Respondents provided information to them that was false, inaccurate and/or misleading with respect to, but not limited to, the following matters:

    a. their money would be used to purchase securities on their behalf;

    b. the securities they purchased would be held in trust for them by Gatekeepers; and

    c. their investments were redeemable and safe.

12. As a result, at least nine investors invested over $220,000 with the Respondents in this manner.

13. Once in possession of these investor funds, the Respondents caused the funds raised to be utilized for purposes other than as intended and disclosed to the investors. Once the investor funds were received into the Gatekeeper bank account in Toronto, Ontario, they were transferred in a short period of time to the bank account of Bochner's wife. These funds were then used to pay Bochner's day-to-day expenses; for example, they were used to pay Bochner's groceries, rent, and credit card payments. None of the investor funds were invested in securities. The Gatekeepers bank account was closed on May 30, 2013.

E. MISLEADING STATEMENTS

14. During Bochner's compelled examination during Staff's investigation, he made numerous statements that, in a material respect and at the time and in the light of the circumstances under which they were made, were misleading or untrue or did not state a fact that was required to be stated or that was necessary to make the statements not misleading.

15. In particular, Bochner misled Staff by:

    a. advising Staff that the investor funds had been used to purchase securities;

    b. advising Staff that the investor funds had not been used to pay his day-to-day expenses;

    c. advising Staff that Gatekeepers had another bank account in Calgary, Alberta; and

    d. advising Staff that the investor's securities were in a trading account in New York State.

16. These statements were materially misleading and were not corrected by Bochner until he was confronted with evidence to the contrary by Staff. These statements concealed the truth, which was that, shortly after they were received, Bochner had transferred the investor funds from the Gatekeepers' bank account to his wife's bank account and then used the funds to pay his day-to-day expenses. The bank account in Calgary does not exist and the investor's securities were not in a trading account in New York State.

F. LIABILITY OF DIRECTOR AND OFFICER

17. During the Relevant Period, Bochner as a director and officer of Gatekeepers authorized, permitted or acquiesced in Gatekeeepers' non-compliance with Ontario securities law.

G. BOCHNER PREVIOUSLY FINED FOR SECURITIES RELATED OFFENCES

18. In 1987, Bochner was fined $15,000 by the Toronto Stock Exchange ("TSX") for activities that occurred between 1981 and 1983 while he was employed with Nesbitt Thomson Bongard Inc. The TSX notice states that Bochner misrepresented the value of accounts to two clients. The TSX notice also states that Bochner conducted himself improperly when he indicated to a client that he had insider information that a company was bankrupt and as such the share price would decrease substantially when the information became public.

H. MITIGATING FACTORS

19. Prior to Staff's investigation, some investors were repaid in full or in part. With respect to the approximately $220,000 taken in from investors during the Relevant Period, $75,824 remained owing to investors.

20. Bochner provided his clients a newsletter akin to a clipping service. Some of the amounts described as advisory fees may have been attributable to this service.

PART IV – CONDUCT CONTRARY TO ONTARIO SECURITIES LAW AND THE PUBLIC INTEREST

21. By engaging in the conduct described above, the Respondents admit and acknowledge that they have breached Ontario securities law by contravening sections 25 and 126.1 of the Act, and Bochner admits and acknowledges that he has also breached Ontario securities law by contravening subsection 122(1) and section 129.2 of the Act, and the Respondents acknowledge that they have acted contrary to the public interest in that:

    a. The Respondents (1) traded in securities without being registered to trade in securities and (2) held themselves out as engaging in the business of advising with respect to investing or buying securities without being registered to advise in securities contrary to section 25 of the Act as that section existed at the time the conduct at issue commenced in September 2006, contrary to section 25 of the Act, as subsequently amended on September 28, 2009;

    b. The Respondents directly or indirectly engaged or participated in an act, practice or course of conduct relating to securities that they knew or reasonably ought to have known perpetrated a fraud on persons purchasing securities, contrary to clause 126.1(b) of the Act;

    c. Bochner's conduct in making misleading statements to Staff was a breach of subsection 122(1) of the Act;

    d. Bochner as a director and officer of Gatekeepers authorized, permitted or acquiesced in Gatekeeepers' non-compliance with Ontario securities law, and accordingly, failed to comply with Ontario securities law contrary to section 129.2 of the Act; and

    e. By reason of the foregoing, the Respondents engaged in conduct contrary to the public interest.

PART V – RESPONDENT'S POSITION

22. The Respondents request that the settlement hearing panel consider the following mitigating circumstances:

    a. Bochner is 80 years old and is in poor health.

    b. Bochner confessed to Staff to the above wrongdoing after the majority of a day-long compelled interview with Staff and thereafter cooperated with Staff.

    c. Prior to Staff's investigation, some investors were repaid in full or in part. $75,824 remains owing to investors.

    d. Bochner will bring a certified cheque for $10,000 payable to the Commission to the Settlement Approval Hearing and provide it to Staff. This will be in partial satisfaction of the payments provided for in paragraph 23. Bochner has undertaken to pay the remainder by December 31, 2015.

PART VI – TERMS OF SETTLEMENT

23. The Respondents agree to the terms of settlement listed below and to the Order attached hereto, made pursuant to section 127(1) and section 127.1 of the Act that:

    (a) the settlement agreement is approved;

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

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

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

(e) the Respondents be reprimanded, pursuant to paragraph 6 of subsection 127(1) of the Act;

(f) Bochner resign all positions that he holds as a director or officer of an issuer, pursuant to paragraph 7 of subsection 127(1) of the Act;

(g) Bochner resign all positions that he holds as a director or officer of a registrant, pursuant to paragraph 8.1 of subsection 127(1) of the Act;

(h) Bochner resign all positions that he holds as a director or officer of an investment fund manager, pursuant to paragraph 8.3 of subsection 127(1) of the Act

(i) Bochner is prohibited from becoming or acting as a director or officer of any issuer permanently, pursuant to paragraph 8 of subsection 127(1) of the Act

(j) Bochner is prohibited from becoming or acting as a director or officer of any registrant permanently, pursuant to paragraph 8.2 of subsection 127(1) of the Act;

(k) Bochner is prohibited from becoming or acting as a director or officer of any investment fund manager permanently, pursuant to paragraph 8.4 of subsection 127(1) of the Act;

(l) the Respondents are prohibited from becoming or acting as a registrant, as an investment fund manager or as a promoter permanently, pursuant to paragraph 8.5 of subsection 127(1) of the Act;

(m) the Respondents pay an administrative penalty on a joint and several basis in the amount of $50,000, which shall be designated for allocation or for use by the Commission in accordance with subsections 3.4(2)(b)(i) or (ii) of the Act, pursuant to paragraph 9 of subsection 127(1) of the Act;

(n) the Respondents disgorge to the Commission the amount of $75,824 on a joint and several basis, which shall be designated for allocation or for use by the Commission in accordance with subsections 3.4(2)(b)(i) or (ii) of the Act, pursuant to paragraph 10 of subsection 127(1) of the Act;

(o) the Respondents shall pay costs on a joint and several basis in the amount of $10,000, pursuant to section 127.1 of the Act; and

(p) Bochner's right to (i) call at any residence for the purpose of trading in securities, or (ii) telephone from within Ontario to any residence within or outside Ontario for the purpose of trading in securities, is cancelled, pursuant to subsection 37(1) of the Act.

24. With respect to the payments to be ordered in paragraph 23(m) to (o) above, Bochner agrees to personally make payments as follows:

(a) $10,000 by certified cheque or bank draft when the Commission approves this Settlement Agreement;

(b) a further $75,824 by August 31, 2015; and

(c) the remaining $50,000 by December 31, 2015.

25. The Respondents undertake to consent to a regulatory Order made by any provincial or territorial securities regulatory authority in Canada containing any or all of the prohibitions set out in sub-paragraphs 23(b) to (l) and 23(p) above. These prohibitions may be modified to reflect the provisions of the relevant provincial or territorial securities law.

26. The Respondents agree to attend in person at the hearing before the Commission to consider the proposed settlement.

PART VII – STAFF COMMITMENT

27. If the Commission approves this Settlement Agreement, Staff will not commence any proceeding under Ontario securities law in relation to the facts set out in Part III of this Settlement Agreement, subject to the provisions of paragraph 28 below.

28. If the Commission approves this Settlement Agreement and the Respondents fail to comply with any of the terms of the Settlement Agreement, Staff may bring proceedings under Ontario securities law against the Respondents. These proceedings may be based on, but are not limited to, the facts set out in Part III of this Settlement Agreement as well as the breach of the Settlement Agreement. In addition, if this Settlement Agreement is approved by the Commission, and the Respondents fail to comply with the terms of the Settlement Agreement, the Commission is entitled to bring any proceedings necessary to recover the amounts set out in subparagraphs 23(m) to (o) above.

PART VIII – PROCEDURE FOR APPROVAL OF SETTLEMENT

29. The parties will seek approval of this Settlement Agreement at a public hearing before the Commission scheduled for [a date to be set by the Secretary's Office], or on another date agreed to by Staff and the Respondents, according to the procedures set out in this Settlement Agreement and the Commission's Rules of Procedure.

30. Staff and the Respondents agree that this Settlement Agreement will form all of the agreed facts that will be submitted at the settlement hearing on the Respondents' conduct, unless the parties agree that additional facts should be submitted at the settlement hearing.

31. If the Commission approves this Settlement Agreement, the Respondents agree to waive all rights to a full hearing, judicial review or appeal of this matter under the Act.

32. If the Commission approves this Settlement Agreement, neither party will make any public statement that is inconsistent with this Settlement Agreement or with any additional agreed facts submitted at the settlement hearing.

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

PART IX – DISCLOSURE OF SETTLEMENT AGREEMENT

34. If the Commission does not approve this Settlement Agreement or does not make the order attached as Schedule "A" to this Settlement Agreement:

    i. this Settlement Agreement and all discussions and negotiations between Staff and the Respondents before the settlement hearing takes place will be without prejudice to Staff and the Respondents; and

    ii. Staff and the Respondents will each be entitled to all available proceedings, remedies and challenges, including proceeding to a hearing of the allegations contained in the Statement of Allegations. Any proceedings, remedies and challenges will not be affected by this Settlement Agreement, or by any discussions or negotiations relating to this agreement.

35. The parties will keep the terms of the Settlement Agreement confidential until the Commission approves the Settlement Agreement. Any obligations of confidentiality shall terminate upon the commencement of the public settlement hearing. If, for whatever reason, the Commission does not approve the Settlement Agreement, the terms of the Settlement Agreement remain confidential indefinitely, unless Staff and the Respondent otherwise agree or if required by law.

PART X – EXECUTION OF SETTLEMENT AGREEMENT

36. This agreement may be signed in one or more counterparts which, together, constitute a binding agreement.

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

Dated at Toronto this 26th day of June, 2015.

"Joseph Bochner"
THE GATEKEEPERS OF WEALTH INC.
Per: Joseph Bochner

"Eden Kaill"
Eden Kaill [print]
Witness

I am authorized to bind the corporation.

Dated at Toronto this 26th day of June, 2015.

"Joseph Bochner"
JOSEPH BOCHNER

"Eden Kaill"
Eden Kaill [print]
Witness

Dated at Toronto this 28th day of July, 2015.

"Tom Atkinson"
TOM ATKINSON
Director, Enforcement Branch

Schedule "A"

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

AND

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

AND

IN THE MATTER OF
A SETTLEMENT AGREEMENT BETWEEN
STAFF OF THE ONTARIO SECURITIES COMMISSION AND
THE GATEKEEPERS OF WEALTH INC. and JOSEPH BOCHNER

ORDER
(Subsections 127(1) and 127.1)

WHEREAS on September 3, 2014, the Ontario Securities Commission (the "Commission") issued a Notice of Hearing pursuant to subsections 127(1) and 127.1 of the Securities Act, R.S.O. 1990, c. S.5, as amended (the "Act") to consider whether it is in the public interest to make orders, as specified therein, against and in respect of The Gatekeepers of Wealth Inc. ("Gatekeepers"), and Joseph Bochner ("Bochner") (collectively, the "Respondents"). The Notice of Hearing was issued in connection with the allegations as set out in the Statement of Allegations of Staff of the Commission ("Staff") dated September 3, 2014;

AND WHEREAS the Respondents entered into a Settlement Agreement with Staff dated [date] (the "Settlement Agreement") in which the Respondents agreed to a proposed settlement of the proceeding commenced by the Notice of Hearing dated September 3, 2014, subject to the approval of the Commission;

AND WHEREAS on [date], the Commission issued a Notice of Hearing pursuant to section 127 of the Act to announce that it proposed to hold a hearing to consider whether it is in the public interest to approve a settlement agreement entered into between Staff and the Respondents;

AND UPON reviewing the Settlement Agreement, the Notices of Hearing, and the Statement of Allegations of Staff, and upon hearing submissions from counsel for the Respondents and from Staff;

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

IT IS HEREBY ORDERED THAT:

1. the Settlement Agreement is approved;

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

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

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

5. the Respondents be reprimanded, pursuant to paragraph 6 of subsection 127(1) of the Act;

6. Bochner resign all positions that he holds as a director or officer of an issuer, pursuant to paragraph 7 of subsection 127(1) of the Act;

7. Bochner resign all positions that he holds as a director or officer of a registrant, pursuant to paragraph 8.1 of subsection 127(1) of the Act;

8. Bochner resign all positions that he holds as a director or officer of an investment fund manager, pursuant to paragraph 8.3 of subsection 127(1) of the Act

9. Bochner is prohibited from becoming or acting as a director or officer of any issuer permanently, pursuant to paragraph 8 of subsection 127(1) of the Act

10. Bochner is prohibited from becoming or acting as a director or officer of any registrant permanently, pursuant to paragraph 8.2 of subsection 127(1) of the Act;

11. Bochner is prohibited from becoming or acting as a director or officer of any investment fund manager permanently, pursuant to paragraph 8.4 of subsection 127(1) of the Act;

12. the Respondents are prohibited from becoming or acting as a registrant, as an investment fund manager or as a promoter permanently, pursuant to paragraph 8.5 of subsection 127(1) of the Act;

13. the Respondents pay an administrative penalty on a joint and several basis in the amount of $50,000, which shall be designated for allocation or for use by the Commission in accordance with subsections 3.4(2)(b)(i) or (ii) of the Act, pursuant to paragraph 9 of subsection 127(1) of the Act;

14. the Respondents disgorge to the Commission the amount of $75,824 on a joint and several basis, which shall be designated for allocation or for use by the Commission in accordance with subsections 3.4(2)(b)(i) or (ii) of the Act, pursuant to paragraph 10 of subsection 127(1) of the Act;

15. the Respondents shall pay costs on a joint and several basis in the amount of $10,000, pursuant to section 127.1 of the Act;

16. Bochner's right to (i) call at any residence for the purpose of trading in securities, or (ii) telephone from within Ontario to any residence within or outside Ontario for the purpose of trading in securities, is cancelled, pursuant to subsection 37(1) of the Act;

17. In regards of the payments ordered above in paragraphs 13, 14, and 15, Bochner shall personally make payments as follows:

    a. $10,000 by certified cheque or bank draft when the Commission approves this Settlement Agreement;

    b. a further $75,824 by August 31, 2015; and

    c. the remaining $50,000 by December 31, 2015.

DATED at Toronto, this [day] day of [month], 2015.

2.3.2 Mortgage Company of Canada Inc. et al. – ss. 127, 127.1

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

AND

IN THE MATTER OF
MORTGAGE COMPANY OF CANADA INC., MCC ASSET MANAGEMENT INC.,
MCC MORTGAGE HOLDINGS INC., RAJ BABBER, and GREG GOUTIS

AND

IN THE MATTER OF
A SETTLEMENT AGREEMENT BETWEEN
STAFF OF THE ONTARIO SECURITIES COMMISSION AND
MORTGAGE COMPANY OF CANADA INC., MCC ASSET MANAGEMENT INC.,
MCC MORTGAGE HOLDINGS INC., RAJ BABBER, and GREG GOUTIS

ORDER
(Sections 127 and 127.1 of the Securities Act)

WHEREAS:

1. On August 14, 2015, the Ontario Securities Commission (the "**Commission**") issued a Notice of Hearing pursuant to sections 127 and 127.1 of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "**Act**") to consider whether it is in the public interest to make orders, as specified therein, against and in respect of Mortgage Company of Canada Inc. ("**MCOCI**"), MCC Asset Management Inc. ("**MCC**"), MCC Mortgage Holdings Inc. ("**MCCMH**"), Raj Babber ("**Babber**") and Greg Goutis ("**Goutis**") (collectively, the "**Respondents**"). The Notice of Hearing was issued in connection with the allegations set out in the Statement of Allegations of Staff of the Commission ("**Staff**") dated August 13, 2015;

2. The Respondents have entered into a Settlement Agreement with Staff of the Commission dated August 14, 2015 (the "**Settlement Agreement**") in which the Respondents agreed to a proposed settlement of the proceeding commenced by the Notice of Hearing dated August 14, 2015, subject to the approval of the Commission;

3. The Notice of Hearing dated August 14, 2015, also announced that the Commission proposed to hold a hearing to consider whether it is in the public interest to approve the settlement agreement entered into between Staff and the Respondents;

4. Pursuant to the Settlement Agreement, the Respondents have given a joint and several undertaking to the Commission, in the form attached as Schedule "B" to the Settlement Agreement (the "**Undertaking**"), to redeem, at the same time, and within thirty (30) days of the date of the Commission's order approving the Settlement Agreement, all remaining common shares in the capital of MCOCI held by the seven remaining Non-Exempt Investors, in the amount of $160,580, subject, in the case of MCOCI, to compliance with the solvency provisions under applicable law;

5. The Respondents acknowledge that failure to pay in full any monetary sanctions and/or costs ordered will result in the Respondent's name being added to the list of "Respondents Delinquent in Payment of Commission Orders" published on the Commission's website;

6. The Respondents acknowledge that this Order may form the basis for parallel orders in other jurisdictions in Canada. The securities laws of some other Canadian jurisdictions may allow orders made in this matter to take effect in those other jurisdictions automatically, without further notice to the Respondents. The Respondents should contact the securities regulator of any other jurisdiction in which he/she may intend to engage in any securities related activities, prior to undertaking such activities;

7. The Commission is of the opinion that it is in the public interest to make this Order.

AND UPON reviewing the Settlement Agreement, the Notice of Hearing, and the Statement of Allegations of Staff, and upon hearing submissions from counsel for the Respondents, and from Staff;

IT IS HEREBY ORDERED THAT:

a. The Settlement Agreement is approved;

b. the Respondents shall each be reprimanded, pursuant to paragraph 6 of subsection 127(1) of the Act;

c. Babber and Goutis shall each successfully complete the Canadian Securities Course Exam, Exempt Market Products Exam and the PDO Exam ("**Required Courses**") as those terms are defined in section 3.1 of National Instrument 31-103 – *Registration Requirements, Exemptions and Ongoing Registrant Obligations*, before applying to become a registrant with the Commission. Pending the successful completion of the Required Courses, pursuant to paragraphs 8, 8.2, 8.4 of subsection 127(1) of the Act, Babber and Goutis will each be prohibited from becoming or acting as a director or officer of any reporting issuer, registrant, or investment fund manager, and pursuant to paragraph 8.5 of subsection 127(1) of the Act, Babber and Goutis will each be prohibited from becoming or acting as a registrant, investment fund manager, or promoter;

d. following approval of the Settlement Agreement, any subsequent trades of securities of MCOCI in Ontario will be made through or to a dealer registered under the Act in a category that permits such trade, or by the Respondents directly only if and when registered to conduct such trades;

e. in the event that the Respondents do not fully comply with the Undertaking, the Respondents shall, pursuant to paragraph 10 of subsection 127(1) of the Act, immediately disgorge to the Commission the unpaid balance arising from the Undertaking, up to the amount of $160,580. The amount of up to $160,580 to be disgorged to the Commission pursuant to this subparagraph (e) shall be reduced by the same amount as any funds paid back to the Non-Exempt Investors in accordance with the Undertaking, provided that satisfactory supporting evidence of such payments is provided by the Respondents to Staff. The disgorgement amount shall be designated for allocation or for use by the Commission in accordance with subparagraphs (b)(i) or (ii) of subsection 3.4(2) of the Act;

f. the Respondents, jointly and severally, shall pay to the Commission an administrative penalty, pursuant to paragraph 9 of subsection 127(1) of the Act, in the amount of $75,000, payable within sixty (60) days from the date of the Commission's order approving the Settlement Agreement, for their failure to comply with Ontario securities law. The administrative penalty shall be designated for allocation or for use by the Commission pursuant to subparagraphs (b)(i) or (ii) of subsection 3.4(2) of the Act;

g. the Respondents shall, jointly and severally, pay costs in the amount of $25,000 within sixty (60) days of the date of this Order, pursuant to section 127.1 of the Act;

h. in the event that any of the amounts are not paid when due in accordance with the Undertaking, or subparagraphs (e), (f) and (g) of this Order:

    i. pursuant to paragraph 2 of section 127(1) of the Act, trading in any securities by or of any of the Respondents shall cease until such amounts are paid to the Commission;

    ii. pursuant to paragraph 2.1 of section 127(1) of the Act, acquisition of any securities by any of the Respondents shall be prohibited until such amounts are paid to the Commission; and

    iii. any exemptions contained in Ontario securities law shall not apply to any of the Respondents until such amounts are paid to the Commission.

i. until the entire amount of the payments set out in the Undertaking, or subparagraphs (e), (f) and (g) of this Order are paid in full, pursuant to paragraph 8.5 of subsection 127(1) of the Act, MCOCI, MCC and MCCMH shall each be prohibited from becoming or acting as a registrant, investment fund manager or promoter, and the provisions of paragraphs (c) and (h) above, shall continue in force without any limitation as to time period.

DATED at Toronto this 17th day of August, 2015.

"C. Portner"

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

AND

IN THE MATTER OF
MORTGAGE COMPANY OF CANADA INC., MCC ASSET MANAGEMENT INC.,
MCC MORTGAGE HOLDINGS INC., RAJ BABBER, and GREG GOUTIS

AND

IN THE MATTER OF
A SETTLEMENT AGREEMENT BETWEEN
STAFF OF THE ONTARIO SECURITIES COMMISSION AND
MORTGAGE COMPANY OF CANADA INC., MCC ASSET MANAGEMENT INC.,
MCC MORTGAGE HOLDINGS INC., RAJ BABBER, and GREG GOUTIS

SETTLEMENT AGREEMENT

PART I – INTRODUCTION

1. The Ontario Securities Commission (the "**Commission**") will issue a Notice of Hearing to announce that it will hold a hearing to consider whether, pursuant to sections 127 and 127.1 of the *Securities Act*, R.S.O. 1990, c. S-5, as amended (the "**Act**"), it is in the public interest for the Commission to approve this Settlement Agreement and to make certain orders in respect of Mortgage Company of Canada Inc. ("**MCOCI**"), MCC Asset Management Inc. ("**MCC**"), MCC Mortgage Holdings Inc. ("**MCCMH**"), Raj Babber ("**Babber**") and Greg Goutis ("**Goutis**") (collectively, the "**Respondents**").

PART II – JOINT SETTLEMENT RECOMMENDATION

2. Staff of the Commission ("**Staff**") agree to recommend settlement of the proceeding commenced against the Respondents by Notice of Hearing dated August 14, 2015 (the "**Proceeding**") according to the terms and conditions set out in Part V of this Settlement Agreement (this "**Settlement Agreement**"). The Respondents agree to the making of an order in the form attached as Schedule "A" to this Settlement Agreement, based on the facts set out below.

3. For the purposes of the Proceeding, and any other regulatory proceeding commenced by a securities regulatory authority, the Respondents agree with the facts as set out in Part III and the conclusion in Part IV of this Settlement Agreement.

PART III – AGREED FACTS

A. OVERVIEW

4. Between November 1, 2013 and December 1, 2014 (the "**Material Time**"), the Respondents sold shares of MCOCI with a value of approximately $32,231,040 to 147 investors. These sales were trades in securities not previously issued and were therefore distributions. The Respondents never filed a preliminary prospectus or a prospectus with the Commission, and no prospectus receipt has ever been issued to qualify the sale of these securities. Further, the Respondents have never been registered with the Commission and were not exempt from registration.

5. For some of these trades, prospectus exemptions were not available. MCOCI has agreed to redeem the shares of any investors who did not or do not qualify for any prospectus exemptions. MCOCI also offered to redeem the shares of all of its shareholders for whom the investment is unsuitable, none of whom elected to redeem despite being informed by a registered exempt market dealer of its reasonable opinion that the investment is unsuitable.

B. THE RESPONDENTS

6. MCOCI is a non-reporting issuer that was incorporated in Ontario on August 8, 2013. MCOCI is a mortgage investment corporation, as such term is defined in the *Income Tax Act*, R.S.C., 1985, c. 1, providing residential and commercial mortgages. As at December 31, 2014, MCOCI held mortgage loans valued at approximately $34.5 million invested in two hundred and sixty one (261) mortgages, secured by a mix of first and non-first residential mortgages, and one commercial mortgage. Although MCOCI's credit policy limits the loan-to-value ratio on its single family properties to 80% , the loan-to-value ratio of MCOCI's portfolio has averaged less than 70% since inception. MCOCI typically makes

investments in mortgages with a term of 12 months. MCOCI's mortgage loans typically have interest rates ranging from approximately 8% to 13%.

7. Babber is the President, Chief Executive Officer and a director of MCOCI, MCC and MCCMH. He is a resident of Richmond Hill.

8. Goutis is the Chief Financial Officer and a director of MCOCI, Chief Financial Officer of MCC and a director of MCCMH. He is a resident of Toronto.

9. MCC was incorporated in Ontario on February 17, 2009 under the name "The Mortgage Company of Canada Inc." MCC is registered as a mortgage administrator under the *Mortgage Brokerages, Lenders and Administrators Act, 2006*, S.O. 2006, c. 29, and operates under the jurisdiction of the Financial Services Commission of Ontario. MCC has been in good standing under that legislation since it commenced operation in 2009. MCC changed its name to MCC Asset Management Inc. by articles of amendment dated August 8, 2013 to allow MCOCI to use its original name. MCC is engaged by MCOCI under a management services agreement.

10. MCCMH was incorporated in Ontario on August 8, 2013. MCCMH is retained by MCOCI to act as custodian in respect of the mortgages in MCOCI's portfolio, serving as bare trustee of the mortgages registered on title.

11. MCC and MCCMH are referred to collectively as the "**Other MCC Entities**".

12. None of the Respondents has ever been registered to trade in securities in Ontario and none was registered with the Commission in any capacity during the Material Time or at any other time.

C. CONDUCT AT ISSUE

13. Prior to the Material Time, MCC arranged direct investments in mortgages on behalf of its clients and administered these mortgages. During the Material Time, the Respondents distributed shares with a value of $32,231,040 to 147 investors, as follows:

    a. Effective November 1, 2013, MCOCI entered into mortgage purchase agreements with various direct mortgage investors and existing clients of MCC whereby such parties transferred to MCOCI the mortgage interests they held in exchange for redeemable common shares in the capital of MCOCI ("**Common Shares**"). The aggregate value of Common Shares issued by MCOCI on its incorporation and later, pursuant to these exchanges, was $12,940,480.

    b. Between November 1, 2013 and December 1, 2014, MCOCI issued Common Shares having an aggregate value of $19,290,560, of which $724,040 were issued under a dividend reinvestment plan.

14. Effective December 15, 2014, in cooperation with Staff, the Respondents voluntarily ceased distributing Common Shares pending the outcome of the review that resulted in this Settlement Agreement.

15. The sales of Common Shares were trades in securities not previously issued and were, therefore, distributions. The Respondents never filed a preliminary prospectus or a prospectus with the Commission and no prospectus receipt has ever been issued to qualify the sales of the Common Shares.

16. Not all of the MCOCI investors met, or could be demonstrated to have met, applicable exemptions from the prospectus requirement contained in National Instrument 45-106 *Prospectus Exemptions* ("**NI 45-106**").

17. In addition, the Respondents failed to meet their suitability obligations. The Respondents failed to make appropriate enquiries relating to their investors' financial circumstances and their investment needs and objectives to ensure the investments in Common Shares were suitable. For approximately half of the investors, some or all of their investments were not suitable.

18. MCOCI did not file exempt distribution reports for the distributions within the required time period.

D. OUTSTANDING INVESTMENTS

19. The Common Shares are redeemable at a redemption price of $10 per Common Share. Since inception, investors have redeemed Common Shares, which MCOCI has reported as having an aggregate value of $3,886,640 comprising aggregate redemptions of $2,253,460 to December 31, 2014 and $1,633,180 in 2015. Throughout, the Respondents have redeemed Common Shares, in full, when requested.

20. As set out on MCOCI's audited financial statements for the year ended December 31, 2014, MCOCI had net assets of $28,830,081 attributable to holders of Common Shares.

E. COOPERATION WITH STAFF AND OTHER MITIGATING FACTORS

21. The Respondents were relatively inexperienced in the securities industry and were not aware that their conduct was contrary to securities law. Since being put on notice of Staff's investigation, the Respondents have, at all times, cooperated fully with Staff and have voluntarily provided information about their shareholders and distributions during the Material Time.

22. Upon being made aware by Staff of their filing obligations, MCOCI promptly filed exempt distribution reports claiming exemptions for the distributions and paying the outstanding filing fees of $17,000.

23. MCOCI has represented to Staff that since December 2014, upon being put on notice of Staff's investigation, it has not issued any securities and has undertaken a review of its outstanding investors. MCOCI has continued to redeem Common Shares, in full, on request.

24. As set out more fully below, the Respondents have agreed to redeem all investments from investors who did not or do not qualify for a prospectus exemption. The Respondents also offered to redeem the investment of any investor for whom the investment is not suitable. To assist with this process, MCOCI retained an exempt market dealer ("**EMD**") registered under the Act to determine whether the trades in MCOCI qualified for a prospectus exemption and, if so, whether the investment would pass a suitability analysis.

25. As part of this process, the EMD attempted to contact all MCOCI investors. In its discussions with investors, the EMD conducted a "know your client" review of each investor in accordance with section 13.2 of National Instrument 31-103 – *Registration Requirements, Exemptions and Ongoing Registrant Obligations* ("**NI 31-103**") and explained that in the event that the investment was not suitable, MCOCI was offering full redemption of the investors' investment. In cases where the EMD has been unable to contact the investor, MCOCI has agreed to redeem the shares of that investor.

26. After analysing whether the trades were eligible for exemptions from the prospectus requirement, and conducting a suitability assessment for all of MCOCI's exempt shareholders, the EMD has represented that most of the trades made by MCOCI qualify for prospectus exemptions that were available at the time of the trades, or are currently available.

27. In particular, the EMD has reported to Staff that as at December 31, 2014:

    a. 52 of the existing shareholders with investments in the aggregate amount of $13,296,300 would qualify as accredited investors and the investment was suitable for these investors ("**Exempt Investors**");

    b. 39 of the existing shareholders with investments in the aggregate amount of $10,513,190 would have qualified for the accredited investor exemption, but these investments were not suitable for those investors ("**AI Unsuitable Investors**");

    c. 28 of the existing shareholders with investments in the aggregate amount of $4,474,790 each had a sufficient total investment to qualify for the minimum amount exemption that was in effect until May 2015. However, these investments were not suitable for all but one (1) of those investors who had invested $241,250 ("**MAE Unsuitable Investors**");

    d. 14 of the existing shareholders with investments in the aggregate amount of $551,460 did not qualify for exemptions at the time of the trades, but now qualify for the friends family, and business associate exemption that came into force in Ontario as a result of amendments to NI 45-106 ("**Newly Exempt Investors**"); and

    e. 2 of the existing shareholders with investments in the aggregate amount of $127,220 qualified for the employee, executive officer, director or consultant exemption, but these investments were not suitable for those investors ("**Employee Investors**").

28. Of MCOCI's total of 147 investors, three (3) had redeemed their entire shareholdings as at December 31, 2014 and MCOCI's existing 144 shareholders are comprised of the 135 investors referred to in paragraph 27 above together with the nine (9) investors referred to in paragraph 32 below. MCOCI's total issuance of $32,231,040 in Common Shares can be calculated by adding (i) $29,253,540, the aggregate value of the Common Shares held by current investors as at December 31, 2014 referred to in paragraph 27 above and paragraph 32 below plus (ii) $724,040 in Common Shares issued under a dividend reinvestment plan referred to in subparagraph 13(b) plus (iii) aggregate redemptions of $2,253,460 to December 31, 2014 referred to in paragraph 19.

29. The EMD met with all of the AI Unsuitable Investors, the MAE Unsuitable Investors and the Employee Investors and advised each of them of the reasons for its conclusion that the MCOCI investment is not suitable for them. In almost all cases where an investment was determined to be unsuitable for the investor, the EMD determined this was due to the investor's over-exposure to the mortgage / real estate asset class. The EMD advised each investor that MCOCI was prepared to redeem their investment in Common Shares. In all cases, these investors acknowledged the unsuitability of the Common Shares and declined the opportunity to redeem their Common Shares. All of the AI Unsuitable Investors and MAE Unsuitable Investors, with investments in the aggregate amount of $14,873,950, have signed acknowledgements indicating that:

    a. they have had a meaningful discussion with the EMD about the unsuitability of the investment;

    b. they have been specifically advised of the reasons for the EMD's conclusion; and

    c. they are instructing the EMD, in accordance with subsection 13.3(2) of NI 31-103 that they nonetheless wish to remain invested.

30. The EMD also met all of the Newly Exempt Investors discussed in paragraph 27(d) above and conducted a suitability analysis of the MCOCI investment. The EMD advised these Newly Exempt Investors that MCOCI issued these securities in non-compliance with securities laws and it was offering full redemption of this investment, together with the EMD's conclusion on suitability. The Newly Exempt Investors instructed the EMD that they also wished to remain invested and both the investor and MCOCI's representatives have completed and signed Forms 45-106F12 *Risk Acknowledgement Form for Family, Friend and Business Associate Investors*.

31. MCOCI has provided signed acknowledgments of the redemption offer by each affected investor to Staff.

32. The EMD has determined, and MCOCI agrees, that as at December 31, 2014, nine (9) investors holding Common Shares acquired for an aggregate amount of $290,580 either (i) would not or do not meet applicable exemptions from the prospectus requirement available at the time of the trade, or currently available, or (ii) have not been available for the EMD to conduct a know your client and suitability assessment and, for expediency in resolving this matter, have been presumed to have had no available exemption. These investors are referred to, collectively, as "**Non-Exempt Investors**". The investments of the Non-Exempt Investors represent less than 1% of the aggregate capital raised by MCOCI.

33. The Respondents have given a joint and several undertaking to the Commission, in the form attached as Schedule "B" to this Settlement Agreement (the "**Undertaking**"), that if this Settlement Agreement is approved, they will redeem all remaining Common Shares held by Non-Exempt Investors at the same time, and within thirty (30) days of the date of the Commission's order approving this Settlement Agreement. $130,000 of the aggregate $290,580 of Common Shares held by Non-Exempt Investors have already been redeemed.

PART IV – CONDUCT CONTRARY TO ONTARIO SECURITIES LAW AND THE PUBLIC INTEREST

34. By engaging in the conduct described above, the Respondents admit and acknowledge that they have breached Ontario securities law and engaged in conduct contrary to the public interest. In particular:

    a. MCOCI failed to file the requisite exempt distribution reports and pay the associated fees for over a year;

    b. The Respondents traded and engaged in, or held themselves out as engaging in, the business of trading in securities without being registered to do so in circumstances in which no exemption was available, contrary to subsection 25(1) of the Act;

    c. The Respondents distributed securities where no preliminary prospectus and prospectus were issued or receipted by the Director under the Act, and where exemptions were not available, contrary to section 53 of the Act; and

    d. Babber and Goutis, as directors and officers of MCOCI and the Other MCC Entities, authorized, permitted or acquiesced in the breaches by MCOCI and the Other MCC Entities of sections 25 and 53 of the Act, as set out above, and, in so doing, are deemed to have not complied with Ontario securities laws, pursuant to section 129.2 of the Act.

PART V – TERMS OF SETTLEMENT

35. The Respondents agree to the following terms of settlement listed below and to the order in the form attached as Schedule "A" to this Settlement Agreement, to be made by the Commission pursuant to subsection 127(1) and section 127.1 of the Act:

a. The approval of this Settlement Agreement;

b. the Respondents shall each be reprimanded, pursuant to paragraph 6 of subsection 127(1) of the Act;

c. Babber and Goutis shall each successfully complete the Canadian Securities Course Exam, Exempt Market Products Exam and the PDO Exam ("**Required Courses**") as those terms are defined in section 3.1 of NI 31-103, before applying to become a registrant with the Commission;

c. pending the successful completion of the Required Courses, pursuant to paragraphs 8, 8.2, 8.4 of subsection 127(1) of the Act, Babber and Goutis will each be prohibited from becoming or acting as a director or officer of any reporting issuer, registrant, or investment fund manager, and pursuant to paragraph 8.5 of subsection 127(1) of the Act, Babber and Goutis will each be prohibited from becoming or acting as a registrant, investment fund manager, or promoter;

e. the Respondents shall execute and deliver the Undertaking to the Commission, whereby the Respondents jointly and severally undertake to redeem, at the same time, and within thirty (30) days of the date of the Commission's order approving this Settlement Agreement, all remaining Common Shares held by Non-Exempt Investors (in the amount of $160,580), subject, in the case of MCOCI, to compliance with the solvency provisions under applicable law;

f. the voluntary cease trade in respect of securities of MCOCI shall terminate on the date of the Commission's order approving this Settlement Agreement, and any subsequent trades of securities of MCOCI in Ontario will be made through or to a dealer registered under the Act in a category that permits such trade, or by the Respondents directly only if and when registered to conduct such trades;

g. in the event that the Respondents do not fully comply with the Undertaking, the Respondents shall, pursuant to paragraph 10 of subsection 127(1) of the Act, immediately disgorge to the Commission the unpaid balance arising from the Undertaking, up to the amount of $160,580. The amount of up to $160,580 to be disgorged to the Commission pursuant to this subparagraph 35(g) shall be reduced by the same amount as any funds paid back to the Non-Exempt Investors in accordance with the Undertaking, provided that satisfactory supporting evidence of such payments is provided by the Respondents to Staff. The disgorgement amount shall be designated for allocation or for use by the Commission in accordance with subparagraphs (b)(i) or (ii) of subsection 3.4(2) of the Act;

h. pursuant to paragraph 9 of subsection 127(1) of the Act, the Respondents, jointly and severally, shall be ordered to pay to the Commission an administrative penalty in the amount of $75,000, payable within sixty (60) days from the date of the Commission's order approving this Settlement Agreement, for their failure to comply with Ontario securities law. The administrative penalty shall be designated for allocation or for use by the Commission pursuant to subparagraphs (b)(i) or (ii) of subsection 3.4(2) of the Act;

i. the Respondents shall, jointly and severally, pay costs in the amount of $25,000 within sixty (60) days of the date of the Commission's order approving this Settlement Agreement, pursuant to section 127.1 of the Act;

j. in the event that any of the amounts are not paid when due in accordance with the Undertaking, or subparagraphs 35 (g), (h,) and (i) above:

i. pursuant to paragraph 2 of subsection 127(1) of the Act, trading in any securities by or of any of the Respondents shall cease until such amounts are paid to the Commission;

ii. pursuant to paragraph 2.1 of subsection 127(1) of the Act, acquisition of any securities by any of the Respondents shall be prohibited until such amounts are paid to the Commission; and

iii. any exemptions contained in Ontario securities law shall not apply to any of the Respondents until such amounts are paid to the Commission;

k. until the entire amount of the payments set out in subparagraphs 35(e), (g), (h,) and (i) above, is paid in full, pursuant to paragraph 8.5 of subsection 127(1) of the Act, MCOCI and the Other MCC Entities shall each be

prohibited from becoming or acting as a registrant, investment fund manager or promoter, and the provisions of subparagraphs 35(d) and (j) above, shall continue in force without any limitation as to time period.

36. The Respondents hereby consent to a regulatory order made by any provincial or territorial securities regulatory authority in Canada containing any or all of the prohibitions set out in subparagraphs 35(b), (c), (d), (j) and (k) above. These prohibitions and orders may be modified to reflect the provisions of the relevant provincial or territorial securities law.

37. Babber and Goutis agree to attend in person, on their own behalf and on behalf of the other Respondents, at the hearing before the Commission to consider this Settlement Agreement.

38. The Respondents acknowledge that failure to pay in full any monetary sanctions and/or costs ordered will result in the Respondents' names being added to the list of "Respondents Delinquent in Payment of Commission Orders" published on the OSC website.

39. The Respondents acknowledge that this Settlement Agreement and proposed Order may form the basis for parallel orders in other jurisdictions in Canada. The securities laws of some other Canadian jurisdictions may allow orders made in this matter to take effect in those other jurisdictions automatically, without further notice to the Respondents. The Respondents should contact the securities regulator of any other jurisdiction in which he/it may intend to engage in any securities related activities, prior to undertaking such activities.

PART VI – STAFF COMMITMENT

40. If the Commission approves this Settlement Agreement, Staff will not commence or continue any proceeding against the Respondents under Ontario securities law in relation to the facts set out in Part III of this Settlement Agreement, subject to the provisions of paragraph 41 below.

41. If the Commission approves this Settlement Agreement and the Respondents fail to comply with any of the terms of this Settlement Agreement, Staff may bring proceedings under Ontario securities law against the Respondents. These proceedings may be based on, but will not be limited to, the facts set out in Part III of this Settlement Agreement as well as the breach of this Settlement Agreement. In addition, if this Settlement Agreement is approved by the Commission, and the Respondents fail to comply with its terms, the Commission is entitled to bring any proceedings necessary to recover the amounts set out in subparagraphs 35(e), (g), (h,) and (i) above.

PART VII – PROCEDURE FOR APPROVAL OF SETTLEMENT

42. The parties will seek approval of this Settlement Agreement at a public hearing before the Commission scheduled for Monday, August 17, 2015, or on another date agreed to by Staff and the Respondents, according to the procedures set out in this Settlement Agreement and the Commission's Rules of Procedure.

43. This Settlement Agreement will form all of the agreed facts that will be submitted at the settlement hearing on the Respondents' conduct, unless the parties agree that additional facts should be submitted at the settlement hearing.

44. If the Commission approves this Settlement Agreement, the Respondents irrevocably waive all right to a full hearing, judicial review or appeal of this matter under the Act.

45. If the Commission approves this Settlement Agreement, neither Staff nor the Respondents will make any public statement that is inconsistent with this Settlement Agreement or with any additional agreed facts submitted at the settlement hearing.

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

PART X – DISCLOSURE OF SETTLEMENT AGREEMENT

47. If the Commission does not approve this Settlement Agreement or does not make an order in the form attached as Schedule "A" to this Settlement Agreement:

    a. This Settlement Agreement and all discussions and negotiations between Staff and the Respondents before the settlement hearing takes place will be without prejudice to Staff and the Respondents; and

b. Staff and the Respondents will each be entitled to all available proceedings, remedies and challenges, including proceeding to a hearing on the merits of the allegations contained in the Statement of Allegations of Staff dated August 13, 2015. Any such proceedings, remedies and challenges will not be affected by this Settlement Agreement, or by any discussions or negotiations relating to this Settlement Agreement.

48. Both Staff and the Respondents will keep the terms of this Settlement Agreement confidential until the Commission approves this Settlement Agreement. Any obligations of confidentiality shall terminate upon the commencement of the public settlement hearing. If, for whatever reason, the Commission does not approve this Settlement Agreement, the terms of this Settlement Agreement shall remain confidential indefinitely, unless Staff and the Respondents otherwise agree or except as may be required by law.

PART X – EXECUTION OF SETTLEMENT AGREEMENT

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

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

Dated this 14th day of August, 2015.

Tom Atkinson
Director, Enforcement Branch

Dated this 14th day of August, 2015.

MORTGAGE COMPANY OF CANADA INC.
Raj Babber
Raj Babber, President

Dated this 14th day of August, 2015.

MCC ASSET MANAGEMENT INC.
Raj Babber
Raj Babber, President

Dated this 14th day of August, 2015.

MCC MORTGAGE HOLDINGS INC.
Raj Babber
Raj Babber, President

Dated this 14th day of August, 2015.

Raj Babber
Raj Babber

Ajay Kaith
Ajay Kaith
Witness

Dated this 14th day of August, 2015.

Greg Goutis
Greg Goutis

Ajay Kaith
Ajay Kaith
Witness

SCHEDULE "A"

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

AND

IN THE MATTER OF
MORTGAGE COMPANY OF CANADA INC., MCC ASSET MANAGEMENT INC.,
MCC MORTGAGE HOLDINGS INC., RAJ BABBER, and GREG GOUTIS

AND

IN THE MATTER OF
A SETTLEMENT AGREEMENT BETWEEN
STAFF OF THE ONTARIO SECURITIES COMMISSION AND
MORTGAGE COMPANY OF CANADA INC., MCC ASSET MANAGEMENT INC.,
MCC MORTGAGE HOLDINGS INC., RAJ BABBER, and GREG GOUTIS

ORDER
(Sections 127 and 127.1 of the Securities Act)

WHEREAS:

1. On August 14, 2015, the Ontario Securities Commission (the "**Commission**") issued a Notice of Hearing pursuant to sections 127 and 127.1 of the *Securities Act*, R.S.O. 1990, c. S.5, as amended (the "**Act**") to consider whether it is in the public interest to make orders, as specified therein, against and in respect of Mortgage Company of Canada Inc. ("**MCOCI**"), MCC Asset Management Inc. ("**MCC**"), MCC Mortgage Holdings Inc. ("**MCCMH**"), Raj Babber ("**Babber**") and Greg Goutis ("**Goutis**") (collectively, the "**Respondents**"). The Notice of Hearing was issued in connection with the allegations set out in the Statement of Allegations of Staff of the Commission ("**Staff**") dated August 13, 2015;

2. The Respondents have entered into a Settlement Agreement with Staff of the Commission dated August 14, 2015 (the "**Settlement Agreement**") in which the Respondents agreed to a proposed settlement of the proceeding commenced by the Notice of Hearing dated August 14, 2015, subject to the approval of the Commission;

3. The Notice of Hearing dated August 14, 2015, also announced that the Commission proposed to hold a hearing to consider whether it is in the public interest to approve the settlement agreement entered into between Staff and the Respondents;

4. Pursuant to the Settlement Agreement, the Respondents have given a joint and several undertaking to the Commission, in the form attached as Schedule "B" to the Settlement Agreement (the "**Undertaking**"), to redeem, at the same time, and within thirty (30) days of the date of the Commission's order approving the Settlement Agreement, all remaining common shares in the capital of MCOCI held by the seven remaining Non-Exempt Investors, in the amount of $160,580, subject, in the case of MCOCI, to compliance with the solvency provisions under applicable law;

5. The Respondents acknowledge that failure to pay in full any monetary sanctions and/or costs ordered will result in the Respondent's name being added to the list of "Respondents Delinquent in Payment of Commission Orders" published on the Commission's website;

6. The Respondents acknowledge that this Order may form the basis for parallel orders in other jurisdictions in Canada. The securities laws of some other Canadian jurisdictions may allow orders made in this matter to take effect in those other jurisdictions automatically, without further notice to the Respondents. The Respondents should contact the securities regulator of any other jurisdiction in which he/she may intend to engage in any securities related activities, prior to undertaking such activities;

7. The Commission is of the opinion that it is in the public interest to make this Order.

AND UPON reviewing the Settlement Agreement, the Notice of Hearing, and the Statement of Allegations of Staff, and upon hearing submissions from counsel for the Respondents, and from Staff;

IT IS HEREBY ORDERED THAT:

a. The Settlement Agreement is approved;

b. the Respondents shall each be reprimanded, pursuant to paragraph 6 of subsection 127(1) of the Act;

c. Babber and Goutis shall each successfully complete the Canadian Securities Course Exam, Exempt Market Products Exam and the PDO Exam ("**Required Courses**") as those terms are defined in section 3.1 of National Instrument 31-103 – *Registration Requirements, Exemptions and Ongoing Registrant Obligations*, before applying to become a registrant with the Commission. Pending the successful completion of the Required Courses, pursuant to paragraphs 8, 8.2, 8.4 of subsection 127(1) of the Act, Babber and Goutis will each be prohibited from becoming or acting as a director or officer of any reporting issuer, registrant, or investment fund manager, and pursuant to paragraph 8.5 of subsection 127(1) of the Act, Babber and Goutis will each be prohibited from becoming or acting as a registrant, investment fund manager, or promoter;

d. following approval of the Settlement Agreement, any subsequent trades of securities of MCOCI in Ontario will be made through or to a dealer registered under the Act in a category that permits such trade, or by the Respondents directly only if and when registered to conduct such trades;

e. in the event that the Respondents do not fully comply with the Undertaking, the Respondents shall, pursuant to paragraph 10 of subsection 127(1) of the Act, immediately disgorge to the Commission the unpaid balance arising from the Undertaking, up to the amount of $160,580. The amount of up to $160,580 to be disgorged to the Commission pursuant to this subparagraph (e) shall be reduced by the same amount as any funds paid back to the Non-Exempt Investors in accordance with the Undertaking, provided that satisfactory supporting evidence of such payments is provided by the Respondents to Staff. The disgorgement amount shall be designated for allocation or for use by the Commission in accordance with subparagraphs (b)(i) or (ii) of subsection 3.4(2) of the Act;

f. the Respondents, jointly and severally, shall pay to the Commission an administrative penalty, pursuant to paragraph 9 of subsection 127(1) of the Act, in the amount of $75,000, payable within sixty (60) days from the date of the Commission's order approving the Settlement Agreement, for their failure to comply with Ontario securities law. The administrative penalty shall be designated for allocation or for use by the Commission pursuant to subparagraphs (b)(i) or (ii) of subsection 3.4(2) of the Act;

g. the Respondents shall, jointly and severally, pay costs in the amount of $25,000 within sixty (60) days of the date of this Order, pursuant to section 127.1 of the Act;

h. in the event that any of the amounts are not paid when due in accordance with the Undertaking, or subparagraphs (e), (f) and (g) of this Order:

   i. pursuant to paragraph 2 of section 127(1) of the Act, trading in any securities by or of any of the Respondents shall cease until such amounts are paid to the Commission;

   ii. pursuant to paragraph 2.1 of section 127(1) of the Act, acquisition of any securities by any of the Respondents shall be prohibited until such amounts are paid to the Commission; and

   iii. any exemptions contained in Ontario securities law shall not apply to any of the Respondents until such amounts are paid to the Commission.

i. until the entire amount of the payments set out in the Undertaking, or subparagraphs (e), (f) and (g) of this Order are paid in full, pursuant to paragraph 8.5 of subsection 127(1) of the Act, MCOCI, MCC and MCCMH shall each be prohibited from becoming or acting as a registrant, investment fund manager or promoter, and the provisions of paragraphs (c) and (h) above, shall continue in force without any limitation as to time period.

DATED at Toronto this ____ day of _____, 2015.

_____

SCHEDULE "B"

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

AND

IN THE MATTER OF
MORTGAGE COMPANY OF CANADA INC., MCC ASSET MANAGEMENT INC.,
MCC MORTGAGE HOLDINGS INC., RAJ BABBER, and GREG GOUTIS

AND

IN THE MATTER OF
A SETTLEMENT AGREEMENT BETWEEN
STAFF OF THE ONTARIO SECURITIES COMMISSION AND
MORTGAGE COMPANY OF CANADA INC., MCC ASSET MANAGEMENT INC.,
MCC MORTGAGE HOLDINGS INC., RAJ BABBER, and GREG GOUTIS

UNDERTAKING TO THE ONTARIO SECURITIES COMMISSION

This Undertaking is given in connection with a settlement agreement dated August 14, 2015 (the "**Settlement Agreement**") between the Respondents, Mortgage Company of Canada Inc. ("**MCOCI**"), MCC Asset Management Inc. ("**MCC**"), MCC Mortgage Holdings Inc. ("**MCCMH**"), Raj Babber ("**Babber**") and Greg Goutis ("**Goutis**") (collectively, the "**Respondents**") and Staff of the Commission ("**Staff**"). All terms shall have the same meanings herein as defined in the Settlement Agreement.

The Respondents hereby jointly and severally undertake to the Commission to redeem, at the same time, and within thirty (30) days of the date of the Commission's order approving the Settlement Agreement, all remaining common shares in the capital of MCOCI held by the seven remaining Non-Exempt Investors, in the amount of $160,580, subject, in the case of MCOCI, to compliance with the solvency provisions under applicable law.

DATED this 14th day of August, 2015.

Raj Babber
MORTGAGE COMPANY OF CANADA INC.
Per: Raj Babber, President
Authorized Signatory

DATED this 14th day of August, 2015.

Raj Babber
MCC ASSET MANAGEMENT INC.
Per: Raj Babber, President
Authorized Signatory

DATED this 14th day of August, 2015.

Raj Babber
MCC MORTGAGE HOLDINGS INC.
Per: Raj Babber, President
Authorized Signatory

DATED this 14th day of August, 2015.

AJAY KAITH) *Raj Babber*
Witness) RAJ BABBER

DATED this 14th day of August, 2015.

AJAY KAITH *Greg Goutis*
Witness AJAY KAITH GREG GOUTIS

Chapter 4

Cease Trading Orders

4.1.1 Temporary, Permanent & Rescinding Issuer Cease Trading Orders

Company Name	Date of Temporary Order	Date of Hearing	Date of Permanent Order	Date of Lapse/Revoke
Silver Stream Mining Corp.	12-August-15	24-August-15		
RDX Technologies Corporation	12-August-15	24-August-15		
Quanta Resources Inc.	12-August-15	24-August-15		
Canadian Imperial Venture Corp.	12-August-15	24-August-15		
Newlox Gold Ventures Corp.	12-August-15	24-August-15		

4.2.1 Temporary, Permanent & Rescinding Management Cease Trading Orders

Company Name	Date of Order of Temporary Order	Date of Hearing	Date of Permanent Order	Date of Lapse/Expire	Date of Issuer Temporary Order

THERE ARE NO ITEMS TO REPORT THIS WEEK.

4.2.2 Outstanding Management & Insider Cease Trading Orders

Company Name	Date of Order of Temporary Order	Date of Hearing	Date of Permanent Order	Date of Lapse/Expire	Date of Issuer Temporary Order

THERE ARE NO ITEMS TO REPORT THIS WEEK.

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Chapter 5

Rules and Policies

5.1.1 Amendments to OSC Rule 48-501 Trading During Distributions, Formal Bids and Share Exchange Transactions

NOTICE OF AMENDMENTS TO
ONTARIO SECURITIES COMMISSION RULE 48-501 – *TRADING DURING DISTRIBUTIONS, FORMAL BIDS AND SHARE EXCHANGE TRANSACTIONS*

August 20, 2015

A. Introduction

The Ontario Securities Commission (OSC) has made amendments (Amendments) to OSC Rule 48-501 *Trading during Distributions, Formal Bids and Share Exchange Transactions* (Rule 48-501) and its related Companion Policy (Companion Policy) with respect to the designation requirements of an exchange-traded fund. The amendments remove the requirement that the Director designate an exchange-traded fund in order for trading in units of the fund to be exempt from the provisions of Rule 48-501.

Pursuant to paragraph 143.2(5)(b) of the *Securities Act*, publication of the Amendments for comment is not required because they remove a restriction and will not have substantial effect on the interests of persons or companies other than those who benefit under it.

The Amendments were delivered to the Minister of Finance on August 14, 2015, and provided that all necessary ministerial approvals are obtained, the amendments to Rule 48-501 and the Companion Policy will come into force on November 2, 2015.

B. Substance and Purpose

Rule 48-501 sets out the requirements related to the trading activities of dealers, issuers, and related persons in connection with a distribution of securities, a securities exchange take-over bid, an issuer bid or an amalgamation, arrangement, capital reorganization or similar transaction. Rule 48-501 restricts bidding and buying activities to preclude manipulative conduct by persons with an interest in the outcome of the transactions listed above.

The restrictions on trading are designed to address concerns that dealers and others wishing to ensure the success of a prospectus offering or other transaction may manipulate the market price of the offered security upwards in the guise of performing normal course “market stabilization” or “market balancing” transactions to make the price of the offering or other transaction appear more attractive. Rule 48-501 limits the trading to bids and purchases that maintain an independently-set market price.

C. Background

Currently, section 1.1 of Rule 48-501 defines an “exchange-traded fund” as a mutual fund,

(a) the units of which are

(i) listed securities or quoted securities, and

(ii) in continuous distribution in accordance with applicable securities legislation, and

(b) designated by the Director as an exchange-traded fund for the purposes of this Rule;

An exchange-traded fund may be designated where it is determined that it would be difficult to manipulate the price of units of the mutual fund.

Description of the Investment Industry Regulation Organization of Canada’s Rule

Equivalent provisions exist in the Universal Market Integrity Rules[1] (UMIR) for Participants involved in a distribution or other transaction that is subject to the Rule (dealer-restricted persons).

[1] Section 7.7 of UMIR

Until 2010, UMIR contained the same definition of "exchange-traded fund" as Rule 48-501, except that IIROC, rather than the Director, designated the fund. In 2010, UMIR was amended to remove the requirement that IIROC had to designate an exchange-traded fund. UMIR now provides that exchange-traded funds listed on an exchange are by default exempt from the restrictions unless designated by IIROC.

Description of the Amendments

Historically, Staff have consistently recommended that the Director designate an exchange-traded fund as there were no factors suggesting a particular fund was susceptible to manipulation.

Given that there have been no instances of manipulative or deceptive trading during a distribution of exchange-traded fund units, the Commission believes the burden imposed by requiring funds to apply to the Director for a Designation Order outweighs the benefits intended by the provision.

As a result, the Commission has made the Amendments that remove the requirement that the Director designate an exchange-traded fund in order for trading in units of the fund to be exempt from the provisions of Rule 48-501. Instead, Rule 48-501 provides that trading in listed exchange-traded funds is exempt unless IIROC makes a designation that trading in a particular fund is subject to UMIR. The text of the Amendments is attached at Schedule A.

As such, Rule 48-501 is consistent, in terms of the substantive application, with the equivalent provisions in IIROC's UMIR.

The amendments to Rule 48-501 and other required materials were delivered to the Minister of Finance on August 14, 2015 and, provided all necessary approvals are obtained, the Amendments will come into force on November 2, 2015.

D. Authority for Rule 48-501

The Commission has the authority to make Rule 48-501 pursuant to the following provisions of the Act:

- Paragraph 143(1)11 authorizes the Commission to make rules regulating the listing or trading of publicly traded securities including requiring reporting of trades and quotations.

- Paragraph 143(1)13 authorizes the Commission to make rules regulating trading in or advising about securities to prevent trading in or advising that is fraudulent, manipulative, deceptive or unfairly detrimental to investors.

E. Questions

Please refer your questions to any of the following:

Timothy Baikie
Senior Legal Counsel
Ontario Securities Commission
(416) 593-8136
tbaikie@osc.gov.on.ca

Louis-Philippe Pellegrini
Legal Counsel
Ontario Securities Commission
(416) 593-8270
lpellegrini@osc.gov.on.ca

SCHEDULE A

AMENDMENTS TO OSC RULE 48-501 *TRADING DURING DISTRIBUTIONS, FORMAL BIDS AND SHARE EXCHANGE TRANSACTIONS*

1. OSC Rule 48-501 Trading during Distributions, Formal Bids and Share Exchange Transaction is amended by this Instrument.

2. Part 1 is amended by:

(a) replacing the definition of "exchange-traded fund***" in section 1.1 with the following:***

"means a mutual fund, the units of which are

(a) listed securities or quoted securities, and

(b) in continuous distribution in accordance with applicable securities legislation;***"***

3. Part 3 is amended by:

(a) replacing "or***" with "***other than an exchange-traded fund that the Investment Industry Regulatory Organization of Canada has designated as subject to section 7.7 of the Universal Market Integrity Rules, or***" in subparagraph 3.1(1)(b)(ii).***

4. This Instrument comes into force on November 2, 2015.

AMENDMENTS TO COMPANION POLICY 48-501CP TO
OSC RULE 48-501 *TRADING DURING DISTRIBUTIONS,*
FORMAL BIDS AND SHARE EXCHANGE TRANSACTIONS

1. The changes to Companion Policy 48-501CP to are set out in this Schedule.

2. Part 2 is amended by

(a) deleting section 2.2

3. Part 5 is amended by

(a) adding the following:

"5.2.1 Exchange-traded funds — Section 1.1 of the Rule defines an "exchange-traded fund" as an open-ended mutual fund, the units of which are listed or quoted securities. Generally trading in exchange-traded funds has not given rise to concerns of a misleading appearance of trading activity or artificial price and the Rule exempts trading in exchange-traded funds. However, if the Investment Industry Regulatory Organization of Canada makes a designation that trading in a particular fund is subject to the corresponding provisions of the Universal Market Integrity Rules because it is concerned that trading in units of the fund may be susceptible to manipulation, trading in that exchange-traded fund will be subject to the Rule.***"***

4. These changes will become effective on November 2, 2015.

Chapter 7

Insider Reporting

This chapter is available in the print version of the OSC Bulletin, as well as as in Carswell's internet service SecuritiesSource (see www.carswell.com).

This chapter contains a weekly summary of insider transactions of Ontario reporting issuers in the System for Electronic Disclosure by Insiders (SEDI). The weekly summary contains insider transactions reported during the seven days ending Sunday at 11:59 pm.

To obtain Insider Reporting information, please visit the SEDI website (www.sedi.ca).

Chapter 8

Notice of Exempt Financings

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

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

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

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

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Chapter 11

IPOs, New Issues and Secondary Financings

Issuer Name:
BMO US Put Write ETF
Principal Regulator - Ontario
Type and Date:
Amended and Restated Preliminary Long Form Prospectus dated August 12, 2015
NP 11-202 Receipt dated August 14, 2015
Offering Price and Description:
USD Units
Underwriter(s) or Distributor(s):
-
Promoter(s):
BMO Asset Management Inc.
Project #2372095

Issuer Name:
CPI Card Group Inc.
Principal Regulator - British Columbia
Type and Date:
Preliminary Long Form PREP Prospectus dated August 12, 2015
NP 11-202 Receipt dated August 12, 2015
Offering Price and Description:
US$ * - * Common Stock
Price: US$ * per Common Share
Underwriter(s) or Distributor(s):
BMO Nesbitt Burns Inc.
Goldman Sachs Canada Inc.
CIBC World Markets Inc.
Promoter(s):
-
Project #2382367

Issuer Name:
Ford Auto Securitization Trust
Principal Regulator - Ontario
Type and Date:
Preliminary Base Shelf Prospectus dated August 14, 2015
NP 11-202 Receipt dated August 14, 2015
Offering Price and Description:
Up to $1,000,000,000 of Asset Backed Notes
Ford Credit Canada Limited
Underwriter(s) or Distributor(s):
-
Promoter(s):
Ford Credit Canada Limited
Project #2383744

Issuer Name:
iShares FactorSelectTM MSCI Canada Index ETF
iShares FactorSelectTM MSCI EAFE Index ETF
iShares FactorSelectTM MSCI EAFE Index ETF (CAD-Hedged)
iShares FactorSelectTM MSCI USA Index ETF
iShares FactorSelectTM MSCI USA Index ETF (CAD-Hedged)
Principal Regulator - Ontario
Type and Date:
Preliminary Long Form Prospectus dated August 14, 2015
NP 11-202 Receipt dated August 17, 2015
Offering Price and Description:
Units
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #2383976

Issuer Name:
RG One Corp.
Principal Regulator - Ontario
Type and Date:
Preliminary CPC Prospectus dated August 10, 2015
NP 11-202 Receipt dated August 11, 2015
Offering Price and Description:
Minimum of $360,000 - 3,600,000 Common Shares
a maximum of $1,000,000 - 10,000,000 Common Shares
PRICE: $0.10 PER COMMON SHARE
Underwriter(s) or Distributor(s):
M Partners Inc.
Promoter(s):
-
Project #2381281

Issuer Name:
Anchor Managed Defensive Income Fund
Anchor Managed Dividend Growth Fund
Anchor Managed High Income Fund
Principal Regulator - Ontario
Type and Date:
Final Simplified Prospectuses dated August 14, 2015
NP 11-202 Receipt dated August 17, 2015
Offering Price and Description:
Class A units, Class F units, Verus Class A units and Verus Class F units
Underwriter(s) or Distributor(s):
-
Promoter(s):
Scotia Managed Companies Administration Inc.
Project #2373000

Issuer Name:
Brookfield Infrastructure Finance Limited
Brookfield Infrastructure Finance Pty Ltd
Brookfield Infrastructure Finance ULC
Brookfield Infrastructure Finance LLC
Brookfield Infrastructure Preferred Equity Inc.
Principal Regulator - Ontario
Type and Date:
Amendment #1 dated August 4, 2015 to Base Shelf Prospectus dated December 29, 2014
NP 11-202 Receipt dated August 12, 2015
Offering Price and Description:
C$2,000,000,000.00 - Class A Preference Shares
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #2290425;2290427;2290428;2290430;2290433

Issuer Name:
Canadian Real Estate Investment Trust
Principal Regulator - Ontario
Type and Date:
Final Base Shelf Prospectus dated August 11, 2015
NP 11-202 Receipt dated August 11, 2015
Offering Price and Description:
$1,000,000,000.00
Debt Securities
Units
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #2378973

Issuer Name:
Diversified Royalty Corp.
Principal Regulator - British Columbia
Type and Date:
Final Short Form Prospectus dated August 11, 2015
NP 11-202 Receipt dated August 11, 2015
Offering Price and Description:
$110,000,700.00 - 40,741,000 Subscription Receipts each representing the right to receive one Common Share
Price: $2.70 per Subscription Receipt
Underwriter(s) or Distributor(s):
Cormark Securities Inc.
GMP Securities L.P.
CIBC World Markets Inc.
PI Financial Corp.
Beacon Securities Limited
Paradigm Capital Inc.
Promoter(s):
-
Project #2375007

Issuer Name:
Heritage Plans (formerly Heritage Scholarship Trust Plans)
Principal Regulator - Ontario
Type and Date:
Final Long Form Prospectus dated August 7, 2015
NP 11-202 Receipt dated August 11, 2015
Offering Price and Description:
Trust Units
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #2368392

Issuer Name:
Impression Plan
Principal Regulator - Ontario
Type and Date:
Final Long Form Prospectus dated August 7, 2015
NP 11-202 Receipt dated August 11, 2015
Offering Price and Description:
Trust Units
Underwriter(s) or Distributor(s):
-
Promoter(s):
Heritage Education Fund Inc.
Project #2368399

Issuer Name:
RIWI Corp.
Type and Date:
Final Long Form Non-Offering Prospectus dated August 12, 2015
Receipted on August 13, 2015
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #2334378

Issuer Name:
Sun Life Granite Conservative Portfolio
(formerly Sun Life Managed Conservative Portfolio) (Series A, T5, E, F, I, O)
Sun Life Granite Moderate Portfolio
(formerly Sun Life Managed Moderate Portfolio) (Series A, T5, E, F, I, O)
Sun Life Granite Balanced Portfolio
(formerly Sun Life Managed Balanced Portfolio) (Series A, T5, E, F, I, O)
Sun Life Granite Balanced Growth Portfolio
(formerly Sun Life Managed Balanced Growth Portfolio) (Series A, T5, T8, E, F, I, O)
Sun Life Granite Growth Portfolio
(formerly Sun Life Managed Growth Portfolio) (Series A, T5, T8, E, F, I, O)
Sun Life Granite Income Portfolio
(formerly Sun Life Managed Income Portfolio) (Series A, E, F, I, O)
Sun Life Granite Enhanced Income Portfolio
(formerly Sun Life Managed Enhanced Income Portfolio) (Series A, E, F, I, O)
Sun Life Dynamic Equity Income Fund (Series A, E, F, I and O)
Sun Life Dynamic Strategic Yield Fund (Series A, E, F, I, O)
Principal Regulator - Ontario
Type and Date:
Amendment #2 dated July 29, 2015 to the Simplified Prospectuses and Annual Information Form dated January 29, 2015
NP 11-202 Receipt dated August 14, 2015
Offering Price and Description:
-
Underwriter(s) or Distributor(s):
-
Promoter(s):
SUN LIFE GLOBAL INVESTMENTS (CANADA) INC.
Project #2283946

Issuer Name:
Synodon Inc.
Principal Regulator - Alberta
Type and Date:
Final Short Form Prospectus dated August 12, 2015
NP 11-202 Receipt dated August 12, 2015
Offering Price and Description:
$4,217,352.00 - 84,347,033 Rights to Subscribe for up to 84,347,033 Common Shares
Price: $0.05 per Common Share
Underwriter(s) or Distributor(s):
-
Promoter(s):
-
Project #2363098

Issuer Name:
TD Private International Stock Fund
(Units)
Principal Regulator - Ontario
Type and Date:
Amendment #1 dated August 13, 2015 to the Simplified Prospectus and Annual Information Form dated March 26, 2015
NP 11-202 Receipt dated August 14, 2015
Offering Price and Description:
Units
Underwriter(s) or Distributor(s):
-
Promoter(s):
TD Asset Management Inc.
Project #2307626

Issuer Name:
Tricon Capital Group Inc.
Principal Regulator - Ontario
Type and Date:
Final Short Form Prospectus dated August 11, 2015
NP 11-202 Receipt dated August 11, 2015
Offering Price and Description:
C$150,001,200.00 - 13,158,000 Common Shares
Price: C$11.40 per Common Share
Underwriter(s) or Distributor(s):
RBC DOMINION SECURITIES INC.
GMP SECURITIES L.P.
TD SECURITIES INC.
BMO NESBITT BURNS INC.
NATIONAL BANK FINANCIAL INC.
RAYMOND JAMES LTD.
CANACCORD GENUITY CORP.
CIBC WORLD MARKETS INC.
PARADIGM CAPITAL INC.
SCOTIA CAPITAL INC.
Promoter(s):
-
Project #2377992

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Chapter 12

Registrations

12.1.1 Registrants

Type	Company	Category of Registration	Effective Date
New Business	Cote 100 Inc./Quote 100 Inc.	Portfolio Manager	August 11, 2015
Consent to Suspension (Pending Surrender)	Trafalgar Associates Limited	Exempt Market Dealer	August 11, 2015
Change in Registration Category	Fieldhouse Capital Management Inc.	From: Portfolio Manager and Commodity Trading Manager To: Commodity Trading Manager, Portfolio Manager, Exempt Market Dealer and Investment Fund Manager	August 12, 2015
Suspended (Regulatory Action)	Sloane Capital Corp.	Exempt Market Dealer	August 12, 2015
Voluntary Surrender	Philadelphia International Advisors, LP	Exempt Market Dealer Portfolio Manager	August 17, 2015
Voluntary Surrender	Morgan Stanley Smith Barney LLC	Exempt Market Dealer	August 12, 2015

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Chapter 13

SROs, Marketplaces, Clearing Agencies and Trade Repositories

13.3 Clearing Agencies

13.3.1 Canadian Derivatives Clearing Corporation – Amendments to Operations Manual for the Purpose of Moving the Afternoon Intra-Day Margin Process – OSC Staff Notice of Request for Comment

OSC STAFF NOTICE OF REQUEST FOR COMMENT -

CANADIAN DERIVATIVES CLEARING CORPORATION (CDCC) -

AMENDMENTS TO OPERATIONS MANUAL FOR THE PURPOSE OF MOVING THE AFTERNOON INTRA-DAY MARGIN PROCESS

The Ontario Securities Commission is publishing for public comment the proposed amendments to the operations manual for the purpose of moving the afternoon intra-day margin process. The purpose of the proposed amendment is to move the start time of the discretionary margin shortfall calls from the current 1:15 pm (EST) to 12:45 pm (EST).

The comment period ends September 19, 2015.

A copy of the CDCC notice is published on our website at http://www.osc.gov.on.ca.

13.3.2 CDS Clearing and Depository Services Inc. – Material Amendments to CDS Rules – Participant Approval Authority – Notice of Commission Approval

CDS CLEARING AND DEPOSITORY SERVICES INC.

MATERIAL AMENDMENTS TO CDS RULES

PARTICIPANT APPROVAL AUTHORITY

NOTICE OF COMMISSION APPROVAL

In accordance with the Rule Protocol between the Ontario Securities Commission (Commission) and CDS Clearing and Depository Services Inc. (CDS), the Commission approved on July 31, 2015, the material amendments to CDS participant rules relating to Participant Approval Authority.

The proposed amendments were published for comment on May 28, 2015 on the Commission's website at: http://www.osc.gov.on.ca. No comments were received.

After the publication for comment, CDS was made aware that a required amendment to Rule 2.1.1 – Application, which relates to Participant Approval Authority, was inadvertently overlooked. The Commission also approved the following amendment:

Text of CDS Participant Rules

Text of CDS Participant Rules marked to reflect proposed amendments

marked text of rules – additions are underlined; deletions are strikethrough text

2.1.1 – Application

A Participant's application for participation is accepted or rejected by CDS ~~the Board of Directors~~. A Participant's application to use a Service or Function is accepted or rejected by CDS. A Person is eligible to apply to participate if it fits the description in a particular category, satisfies the qualifications applicable to that category and meets the standards for participation.

Text CDS Participant Rules reflecting the adoption of proposed amendments

2.1.1 – Application

A Participant's application for participation is accepted or rejected by CDS. A Participant's application to use a Service or Function is accepted or rejected by CDS. A Person is eligible to apply to participate if it fits the description in a particular category, satisfies the qualifications applicable to that category and meets the standards for participation.

Index